State Budget 2011–12

Service Delivery Statements

Book 1

Queensland Government

2011–12 State Budget Papers

1. Budget Speech

2. Budget Strategy and Outlook

3. Capital Statement

4. Budget Measures

5. Service Delivery Statements

Budget Highlights

This suite of Budget Papers is similar to that published in 2010–11.

The Budget Papers are available online at www.budget.qld.gov.au. They can be purchased through the Queensland Government Bookshop – individually or as a set – by phoning 1800 801 123 or at www.bookshop.qld.gov.au

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Service Delivery Statements
Book 1
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BOOK 1

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PART 1

Department of the Premier and Cabinet

Summary of departmental portfolio budgets

Page	Agency	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
1-1	Department of the Premier and Cabinet - controlled	234,361	264,394	258,153
	Department of the Premier and Cabinet - administered	193,426	4,025,038	450,323
1-27	Corporate Administration Agency	11,573	10,868	10,938
1-33	Events Queensland Pty Ltd	16,930	22,890	36,090
1-40	Library Board of Queensland	55,224	56,569	57,776
1-47	Queensland Art Gallery	38,464	40,942	43,612
1-53	Queensland Museum	28,000	32,240	32,769
1-60	Queensland Performing Arts Trust	32,907	35,420	36,213
1-66	Queensland Reconstruction Authority	..	1,122,527	2,839,809
1-72	South Bank Corporation	78,345	83,237	84,854

Note:
1. Explanations of variances are provided in the financial statements.

DEPARTMENTAL OVERVIEW

MINISTERIAL RESPONSIBILITY

The Department of the Premier and Cabinet has two ministers, each with discrete portfolio responsibilities:

- Premier and Minister for Reconstruction
- Minister for Finance and The Arts.

STRATEGIC ISSUES

The department's primary role is to support and advise the Premier and Ministers who make up the Queensland Cabinet so that the government's objectives and responsibilities can be met.

The department provides a broad range of services to the Cabinet, government Ministers, agencies and the community. As the lead agency in the Queensland public sector, the department works closely with all other agencies to drive the Government's key strategies and plans from conception through to implementation.

The department collaborates with public sector agencies, other governments and stakeholders to assist the Premier and Cabinet to make informed decisions on issues, trends and developments that potentially impact on Queensland and its people, and to support a diverse, dynamic and vibrant cultural life.

Through Arts Queensland, the department is also dedicated to supporting and growing a strong and diverse arts and culture sector that celebrates Queensland's unique identity and cultural heritage and enriches the lives of all Queenslanders.

During 2011, and in the coming months and years, the department will also work alongside the Queensland Reconstruction Authority to help rebuild those Queensland communities affected by the Queensland floods and Tropical Cyclone Yasi.

To deliver services at the highest standard, the department faces a number of key challenges. Keeping abreast of the economic, social and environmental imperatives, and listening to the community's needs and expectations, is essential to not only develop, but deliver on the Government's diverse work program.

The department's strategic objectives are:

- support the delivery of the government's objectives and priorities for the community and improve the performance of public services
- enrich Queenslanders' lives by a strong and diverse arts and cultural sector
- develop our resources to sustain an innovative and flexible organisation.

Our aim is to ensure that all Queenslanders receive effective and consistently high quality services by providing strategic, quality information, analysis and advice that helps to build *Toward Q: Tomorrow's Queensland* (Q2).

2011-12 HIGHLIGHTS

During 2011-12 the department will:

- provide support and assistance for the Queensland Reconstruction effort following the 2010-11 Queensland floods and Cyclone Yasi
- support the information needs of the Queensland Floods Commission of Inquiry into the 2010-11 floods and coordinate whole-of-Government input and response to key recommendations
- provide strategic leadership to the State Disaster Management Group in response and recovery across all government departments, agencies and local government
- position Queensland to input and benefit from the Council of Australian Government's (COAG) streamlined agenda built around five themes:
  - a long-term strategy for economic and social participation;
  - a national economy driven by our competitive advantages;
  - a more sustainable and liveable Australia;
  - better health services and a more sustainable health system for all Australians; and
  - 'Closing the Gap' on Indigenous disadvantage.
- support work across government to achieve 'Closing the Gap' targets for Aboriginal and Torres Strait Islander people throughout Queensland
- support Queensland's continuing planning reform agenda including implementation of the outcomes of the 2012 Building Revival Forum
- lead the 12 month review of the operation of the *Integrity Act 2009*
- lead Queensland's implementation of the Memorandum of Cooperation for the Wabo Hydroelectric Project including the establishment of a high level officials' group to facilitate the feasibility study stage of the project
- implement an information system for the secure development and management of Cabinet documents
- further drive performance across government to achieve the *Toward Q2: Tomorrow's Queensland* targets, including promoting the Q2 Partners program to the community
- allocate an additional $4 million over four years to the small-to-medium arts sector, bringing total funding for 2011-12 to $11.4 million
- host the *Artspoken: Queensland Regional Arts and Culture Conference* in Bundaberg, including announcement of the inaugural Regional Arts and Culture Awards
- continue the *Backing Indigenous Arts* initiative with funding of $3.3 million in 2011-12 as part of a four year $13.2 million investment
- invest $1.3 million in 2011-12 in the *Visual Arts and Craft Strategy*, as part of a four year $5.2 million investment
- continue to provide effective executive support for Parliament, Cabinet and government decision making processes
- continue to deliver and promote People's Question Time
- continue to manage the Premier's Disaster Relief Appeal
- coordinate a network infrastructure upgrade for Ministerial Offices and Office of the Leader of the Opposition to facilitate improved network performance and resilience
- continue to support the Gold Coast 2018 Commonwealth Games Bid Ltd in the development of a bid to host the Commonwealth Games on the Gold Coast in 2018
- produce a strong legislative program on sensitive and important public issues
- contribute to the drafting of national scheme legislation at both the national and state level, including legislative reforms under the National Partnership Agreement to deliver a Seamless National Economy

- improve accessibility and availability of information on the operation of fundamental legislative principles in legislation
- undertake an eLegislation initiative to transform public access to legislation and legislative information, in particular by the introduction of authorised electronic legislation, and to improve the efficiency of the legislative drafting service.

RECENT ACHIEVEMENTS

During 2010-11 the department:

- prepared a Memorandum of Cooperation for the Wabo Hydroelectric Project, signed on 15 September 2010 by the Premier, the Government of Papua New Guinea, Origin Energy Limited and PNG Energy Developments Limited
- drafted the legislation to establish the Queensland Reconstruction Authority
- negotiated new national health reforms with the Commonwealth that take into account issues impacting on health service delivery in Queensland
- expanded the Q2 Partners program to recognise business, industry and community organisations that are contributing to the Q2 targets
- released and updated the *Reef Water Quality Protection Plan*, to progress the achievement of a 2013 target for a 50 percent reduction in nitrogen, phosphorus and pesticides at end-of-reef catchments
- allocated $10.2 million to the small-to-medium arts sector
- invested $1 million as part of the Regional Infrastructure Grants Program, resulting in upgrades to 11 performing arts venues in regional Queensland and funding to undertake work at the Australian Age of Dinosaurs Natural History Museum at Winton and the Cairns Centre of Contemporary Arts
- held the second Cairns Indigenous Art Fair attracting 10,500 visitors and selling $0.73 million worth of art
- hosted the inaugural Design Triennial, *Unlimited: Designing for the Asia Pacific*, which was attended by more than 10,000 people and showcased design thinking, innovation and excellence
- coordinated the disaster recovery and building restoration works across the Cultural Centre, which was affected by the Queensland floods
- progressed implementation of the Government response to *Brokering Balance: A Public Interest Map for Queensland Government Boards, Committees and Statutory Authorities Part B Report*, including the adoption of the Public Interest Map as the public sector government model for improving the relevance and accountability for non-departmental government bodies in Queensland
- coordinated the swearing-in of new members of the Bligh Ministry in February 2011
- implemented legislative changes to reform the Parliamentary Committee system to give effect to the Government response to the *Review of the Queensland Parliamentary Committee System Report*
- delivered and promoted People's Question Time as an online mechanism for Queenslanders across the State to ask the Premier questions about important government projects and initiatives
- completed the upgrade to Ministerial Offices and Office of the Leader of the Opposition software to Microsoft Office 2007 and provided training
- implemented new employment legislation for Ministerial Office staff with the *Ministerial and Other Office Holder Staff Act 2010* which commenced on 1 November 2010

- organised the Mackay regional sitting of Parliament from 22 to 24 May 2011, including a significant Community Engagement Program developed for the event, promoted the sitting to people in the region and the attendance of local children through the School Subsidy Scheme
- led the Government's response to the Queensland floods and Tropical Cyclone Yasi through leadership of the State Disaster Management Group
- supported the establishment of the Queensland Floods Commission of Inquiry, in partnership with the Department of Justice and Attorney-General
- administered the Premier's Disaster Relief Appeal to assist people affected by the Queensland floods and Tropical Cyclone Yasi
- supported the Gold Coast 2018 Commonwealth Games Bid Ltd in the development of a bid to host the Commonwealth Games on the Gold Coast in 2018
- drafted significant legislation relating to: the Queensland Reconstruction Authority; the protection of North Stradbroke Island; resolution of issues between neighbours; drink safe precincts and drink driving reforms: criminal law reforms; enhanced monitoring of sex offenders and a Sentencing Advisory Council; fair trading inspectors; an industry led skills commission; property and other agents; land grant reform for Aboriginal land and Torres Strait Islander land; Gold Coast Rapid Transit light rail; national schemes for personal property securities; occupational licensing, consumer law; and electrical equipment safety and work health and safety
- contributed to legislation: by advising on principles and alternative ways of achieving policy objectives, notifying departments of the automatic expiry of subordinate legislation and advising on national scheme legislation
- provided free public access to Queensland legislation and information about Queensland legislation through the website: www.legislation.qld.gov.au.

DEPARTMENTAL SERVICES

Our service areas are:

Policy Advice, Coordination and Cabinet Support Service

Policy Advice, Coordination and Cabinet Support Service provides policy advice and coordination for the Premier and Cabinet and supports Cabinet and Cabinet-related activities. The service provides detailed briefings to the Premier on policy from design and development though coordination to implementation and delivery. The service also provides advice on intergovernmental issues and supports the Premier in her role as First Minister for COAG and Council for Australian Federation (CAF) meetings. The service also monitors performance and delivery of whole-of-Government policy commitments. Through this service the Premier receives detailed briefs on all matters before Cabinet and Cabinet subcommittees. It coordinates a broad range of whole-of-Government activities and provides expert advice on the operation of Cabinet and its related processes, administration of all Cabinet information, custodianship of the Cabinet record from current and previous governments and direct logistical support to Ministers in Cabinet meetings including Community Cabinet meetings.

Government and Executive Support Service

Government and Executive Support Service provides policy advice to the Premier in relation to executive government and machinery-of-Government matters, support to the administration of business before the Executive Council, support services to Ministerial Offices, Parliamentary Secretaries and the Office of the Leader of the Opposition, and fixed-wing services to meet emergency and other aviation needs of the community and the Government. In addition, the service is involved in the management and coordination of events, State occasions, official visits and functions and whole-of-Government communication activities.

Arts and Culture Service

The Arts and Culture Service, through Arts Queensland, aims to build a strong arts and cultural sector that enriches the lives of all Queenslanders. Services provided include policy development, advice and planning, arts and cultural funding, support for Queensland's arts statutory authorities and government owned companies, provision of capital infrastructure and management of the State's cultural assets including the Cultural Centre at South Bank and the Judith Wright Centre of Contemporary Arts.

Legislative Drafting, Advisory and Information Service

Legislative Drafting, Advisory and Information Service provides comprehensive high-quality legislative drafting, advisory, information and publication services and supports the continual enhancement of legislation and legislative information for government and the community. This service is delivered by the Office of the Queensland Parliamentary Counsel and provides the Government's legislative reform agenda.

STAFFING[1]

Service areas	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
Services[2]				
Policy Advice, Coordination and Cabinet Support Service	3	182	175	179
Government and Executive Support Service	4	183	229	179
Arts and Culture Service	5,6	128	138	145
Legislative Drafting, Advisory and Information Service		68	68	70
Total services		**561**	**610**	**573**
ADMINISTERED				
Ministerial Offices and Office of the Leader of the Opposition	7	245	245	245
Total Administered Items		**245**	**245**	**245**
SHARED SERVICE INITIATIVE				
Corporate Administration Agency	8	85	77	74
Total shared service initiative		**85**	**77**	**74**
Corporate services provided to other agencies		**13**	**11**	**11**
Total		**904**	**943**	**903**

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate FTEs are allocated across the services to which they relate.
3. A decrease in the 2010-11 Estimated actual is primarily due to the transfer of the administrative responsibility for the Council for the Australian Federation to the Northern Territory Government.
4. An increase in the 2010-11 Estimated actual is due to positions associated with the Queensland Floods Commission of Inquiry.
5. An increase in the 2010-11 Estimated actual is primarily due to the transition of the Document and Information Resources Services Unit from the Corporate Administration Agency.
6. An increase in the 2011-12 Estimate is due to the transition of the Document and Information Resources Services Unit from the Corporate Administration Agency, as well as the transition of staff for the Queensland Indigenous Arts Marketing and Export Agency from the Department of Employment, Economic Development and Innovation.
7. Ministerial Offices and Office of the Leader of the Opposition staffing is further detailed in the 'Staff by Office' table contained within the Administered Items section of this document.
8. A decrease in the 2010-11 Estimated actual is due to the transition of the Document and Information Resources Services Unit to the Arts and Culture service.

2011-12 SERVICE SUMMARY[1]

Service areas	Total cost $'000	Sources of revenue			
		State Contribution $'000	User charges $'000	C'wealth revenue $'000	Other revenue $'000
Policy Advice, Coordination and Cabinet Support Service	40,415	40,415	..	..	..
Government and Executive Support Service	64,045	61,363	2,128	..	554
Arts and Culture Service[3]	137,898	116,399	14,125	3,000	4,374
Legislative Drafting, Advisory and Information Service	13,631	13,596	35	..	..
Total	**255,989**	**231,773**	**16,288**	**3,000**	**4,928**

Notes:
1. Explanations of variances are provided in the financial statements.
2. The total revenue sources do not equal the "Total Income" in the financial statements as the Department provides corporate services to the Public Service Commission, Queensland Treasury, Department of Local Government and Planning and the Office of the Governor.
3. Amount shown as State Contribution may not reconcile to Service revenue in the financial statements. Service revenue now includes payments from the Australian Government due to a decision by the Council of Australian Governments (COAG) in November 2008 to make the majority of Commonwealth payments directly to consolidated funds. Departments received the payments through Service revenue or Equity injection.

ADMINISTERED ITEMS

The Department of the Premier and Cabinet administers grant funding to the Queensland Reconstruction Authority, Library Board of Queensland, Queensland Art Gallery, Events Queensland Pty Ltd, Queensland Museum, Queensland Performing Arts Trust, South Bank Corporation, Screen Queensland Pty Ltd and the Queensland Theatre Company. In addition, the department administers funding to Ministerial Offices and Office of the Leader of the Opposition and payments in relation to former Governors of Queensland.

DESCRIPTION

Ministerial Offices and Office of the Leader of the Opposition

The key clients of this administered item are Ministers, Parliamentary Secretaries and the Leader of the Opposition. The services provided are:

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

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

2011-12 HIGHLIGHTS

During 2011-12, the following significant developments are planned:

- upgrade ministerial and opposition office network infrastructure to facilitate improved network performance and resilience
- continue to update the *Queensland Ministerial Handbook* and the *Queensland Opposition Handbook* for legislative and policy changes to meet contemporary needs and accountability standards.

RECENT ACHIEVEMENTS

Significant achievements in 2010-11:

- introduced the *Ministerial and Other Office Holder Staff Act 2010*, which commenced on 1 November 2010 and ensures a discrete framework for the employment of ministerial staff, as well as clear direction on their rights and responsibilities
- delivered a program of ethics and accountability training incorporating recommendations from the Crime and Misconduct Commission's *Report on an Investigation into the Alleged Misuse of Public Monies, and a Former Ministerial Advisor*.

Financial statements and variance explanations in relation to Administered Items appear in the Departmental Financial Statements.

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Administered Item: Ministerial Offices and Office of the Leader of the Opposition				
Service standards				
Staff numbers		245	245	245
Policies and Guidelines				
• New employment legislation be introduced		July 2010	November 2010	..
• New protocols governing communication between Ministerial Offices and Public officials across the public sector to be implemented		..	..	July 2011
Public Report of office expenses to Parliament		February and August	February and August	February and August
Financial reporting to individual Ministers and the Office of the Leader of the Opposition		Monthly	Monthly	Monthly
State contribution ($000)		**42,180**	**42,634**	**43,259**
Other revenue ($000)		**..**	**..**	**..**
Total cost ($000)		**42,180**	**42,634**	**43,259**

BUDGET AND EXPENSES BY OFFICE

Budget and Expenses by Office[1] 1 July 2010 to 21 February 2011	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Premier and Minister for the Arts		5,472	3,366	..
Deputy Premier and Minister for Health		2,324	1,341	..
Treasurer and Minister for Employment and Economic Development		2,026	1,240	..
Minister for Public Works and Information and Communication Technology		1,518	801	..
Minister for Natural Resources, Mines and Energy and Minister for Trade		1,755	1,081	..
Minister for Education and Training		1,909	1,125	..
Minister for Police, Corrective Services and Emergency Services	2	1,918	1,116	..
Minister for Main Roads	3	1,773	1,051	..
Minister for Primary Industries, Fisheries and Rural and Regional Queensland		1,700	1,019	..
Minister for Local Government and Aboriginal and Torres Strait Islander Partnerships		1,350	846	..
Minister for Infrastructure and Planning		1,732	1,014	..
Minister for Transport		1,631	949	..
Minister for Tourism and Fair Trading		1,666	1,004	..
Minister for Child Safety and Minister for Sport	2	1,698	910	..
Minister for Community Services and Housing and Minister for Women	2	1,606	963	..
Minister for Disability Services and Multicultural Affairs		1,465	991	..
Minister for Climate Change and Sustainability		1,477	893	..
Attorney-General and Minister for Industrial Relations		1,598	929	..
Total Ministerial Offices		**34,618**	**20,638**	**..**
Parliamentary Secretary to the Premier and Minister for the Arts		104	59	..
Parliamentary Secretary for Healthy Living		78	49	..
Parliamentary Secretary for Employment and Economic Development		98	46	..
Parliamentary Secretary for Natural Resources, Mines and Energy and Trade		86	48	..
Parliamentary Secretary for Education		73	30	..
Parliamentary Secretary for Emergency Services	2	86	41	..
Parliamentary Secretary for Industrial Relations		73	43	..
Parliamentary Secretary for Disability Services and Multicultural Affairs		76	54	..
Parliamentary Secretary for Tourism		92	52	..
Total Parliamentary Secretaries		**766**	**421**	**..**
Total for Ministerial Offices and Parliamentary Secretaries		**35,384**	**21,059**	**..**
Office of the Leader of the Opposition		3,190	1,957	..
Total for Non-Government support		**3,190**	**1,957**	**..**
Corporate Support		3,606	946	..
GRAND TOTAL		**42,180**	**23,962**	**..**

Notes:
1. Figures may not add due to rounding.
2. Portfolio responsibilities did not change on 21 February 2011.
3. The Office of the Minister for Main Roads includes the Townsville Regional Office.

BUDGET AND EXPENSES BY OFFICE

Budget and Expenses by Office[1] 21 February 2011 to 30 June 2011	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Premier and Minister for Reconstruction		..	1,914	5,550
Deputy Premier and Attorney-General, Minister for Local Government and Special Minister of State		..	927	2,256
Treasurer and Minister for State Development and Trade		..	724	1,992
Minister for Health		..	641	1,892
Minister for Police, Corrective Services and Emergency Services	2	..	787	1,688
Minister for Energy and Water Utilities		..	633	1,593
Minister for Main Roads, Fisheries and Marine Infrastructure	3	..	726	1,910
Minister for Education and Industrial Relations		..	779	1,973
Minister for Agriculture, Food and Regional Economies		..	660	1,706
Minister for Employment, Skills and Mining		..	639	1,553
Minister for Finance and The Arts		..	625	1,288
Minister for Environment and Resource Management		..	609	1,862
Minister for Transport and Multicultural Affairs		..	698	1,882
Minister for Child Safety and Minister for Sport	2	..	774	1,596
Minister for Community Services and Housing and Minister for Women	2	..	632	1,630
Minister for Tourism, Manufacturing and Small Business		..	679	1,778
Minister for Government Services, Building Industry and Information and Communication Technology		..	709	1,638
Minister for Disability Services, Mental Health and Aboriginal and Torres Strait Islander Partnerships		..	519	1,653
Total Ministerial Offices		**..**	**13,675**	**35,438**
Parliamentary Secretary for Parliamentary Reform		..	53	117
Parliamentary Secretary for Trade and Multicultural Affairs		..	42	98
Parliamentary Secretary to the Treasurer and for State Development		..	44	95
Parliamentary Secretary for Health		..	39	93
Parliamentary Secretary assisting the Premier on the Gold Coast and the Commonwealth Games		..	31	54
Parliamentary Secretary for Emergency Services	2	..	42	107
Parliamentary Secretary assisting the Premier on Economic Development in the Far North		..	35	87
Total Parliamentary Secretaries		**..**	**286**	**650**
Total for Ministerial Offices and Parliamentary Secretaries		**..**	**13,961**	**36,088**
Office of the Leader of the Opposition	4	..	1,099	3,290

Budget and Expenses by Office1 21 February 2011 to 30 June 2011	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Total for Non-Government support		**..**	**1,099**	**3,290**
Corporate Support		**..**	2,812	3,881
IT Replacement Program		..	800	..
GRAND TOTAL		**..**	**18,672**	**43,259**

Notes:
1. Figures may not add due to rounding.
2. Portfolio responsibilities did not change on 21 February 2011.
3. The Office of the Minister for Main Roads, Fisheries and Marine Infrastructure includes the Townsville regional office.
4. New Leader of the Opposition commenced on 23 March 2011.

STAFF BY OFFICE

Staff by Office[1]	Notes	2010-11 Est. act.	2011-12 Estimate
Premier and Minister for Reconstruction		32	32
Deputy Premier and Attorney-General, Minister for Local Government and Special Minister of State		14	14
Treasurer and Minister for State Development and Trade		12	12
Minister for Health		13	13
Minister for Police, Corrective Services and Emergency Services		11	11
Minister for Energy and Water Utilities		10	10
Minister for Main Roads, Fisheries and Marine Infrastructure		12	12
Minister for Education and Industrial Relations		13	13
Minister for Agriculture, Food and Regional Economies		10	10
Minister for Employment, Skills and Mining		10	10
Minister for Finance and The Arts		9	9
Minister for Environment and Resource Management		13	13
Minister for Transport and Multicultural Affairs		13	13
Minister for Child Safety and Minister for Sport		10	10
Minister for Community Services and Housing and Minister for Women		10	10
Minister for Tourism, Manufacturing and Small Business		11	11
Minister for Government Services, Building Industry and Information and Communication Technology		11	11
Minister for Disability Services, Mental Health and Aboriginal and Torres Strait Islander Partnerships		9	9
Total for Ministerial Offices		**223**	**223**
Office of the Leader of the Opposition		22	22
Total for Non-Government support		**22**	**22**
GRAND TOTAL		**245**	**245**

Note:
1. Figures may not add due to rounding.

DEPARTMENTAL STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Policy Advice, Coordination and Cabinet Support Service				
Service standards				
Participant satisfaction with the Community Cabinet consultation process	1	New measure	..	95%
Client satisfaction with DPC support in completion of the Cabinet bag		90%	90%	90%
Client satisfaction with DPC support for Cabinet Committees		100%	94%	95%
Client satisfaction with DPC engagement with the policy development process		95%	91%	95%
Client satisfaction with advice by DPC to agencies on Cabinet and CBRC submissions		New measure	86%	90%
Client satisfaction with advice and support to deliver government commitments		90%	89%	90%
Client satisfaction with policy advice provided by DPC on targets contained in *Toward Q2: Tomorrow's Queensland*		New measure	91%	90%
Client satisfaction with advice by DPC to agencies on performance management and reporting requirements		90%	96%	90%
Other measures				
Number of Cabinet meetings supported		46	51	46
Number of Community Cabinet meetings supported		10	10	10
Number of Cabinet Committee meetings supported		100	101	100
Percentage of Cabinet Secretariat timeframes met for Cabinet decisions		100%	100%	100%
State contribution ($000)		**40,103**	**39,885**	**40,415**
Other revenue ($000)		**899**	**379**	**..**
Total cost ($000)		**41,002**	**40,264**	**40,415**

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Government and Executive Support Service				
Service standards				
Client satisfaction with DPC support in relation to Executive Council process		85%	100%	85%
Client satisfaction with DPC support in relation to significant appointment process		85%	98%	85%
Other measures				
Number of Executive Council Minutes		900	846	900
Number of Ministerial Office training days provided	2	120	236	130
Total flying hours achieved (organ retrievals, search and rescue, official transport, other)		750	630	750
Number of event activities organised for Queensland		34	35	32
Number of speeches and related services prepared		400	410	400
Number of process improvement reviews undertaken		32	36	31
State contribution ($000)		**49,555**	**63,170**	**61,363**
Other revenue ($000)		**2,658**	**3,022**	**2,682**
Total cost ($000)		**52,213**	**66,192**	**64,045**
Service Area: Arts and Culture Service				
Service standards				
Level of client satisfaction with Arts Queensland's funding programs and services	3	80%	83%	85%
Other measures				
Level of attendance and participation in subsidised arts sector events		4,100,000	3,939,635	4,100,000
Percentage of grant funding informed by industry peer assessment	4	95%	98%	95%
Percentage of grant approvals processed within required timeframes		95%	99%	95%
Percentage of grant acquittals processed within required timeframes		90%	89%	90%
Percentage of funding provided to people from target groups	5	40%	37%	40%
Proportion of funding allocated to artists, arts workers and non-government arts and cultural organisations	6	84%	77%	78%

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Utilisation of state-owned arts and cultural facilities		3,800,000	3,994,179	4,085,000
State contribution ($000)		**108,233**	**106,584**	**116,399**
Other revenue ($000)		**21,291**	**38,429**	**21,499**
Total cost ($000)		**129,524**	**145,013**	**137,898**
Service Area: Legislative Drafting, Advisory and Information Service				
Service standards				
Level of direct Government drafting client satisfaction with legislative drafting services provided by the Office of the Queensland Parliamentary Counsel		85%	90%	85%
Other measures				
Reasonable levels of output:	7	..	55	..
• Number of Bills provided				..
• Number of instruments of subordinate legislation provided		..	350	..
• Number of pages of Bills and subordinate legislation provided		..	11,680	..
• Number of amendments during consideration in detail provided		..	32	..
• Number of pages of amendments during consideration in detail provided		..	190	..
• Number of pages prepared in camera-ready form for publication		..	280,000	..
Percentage of printed legislative publications with a mandatory deadline supplied within mandated timeframes		100%	100%	100%
Percentage of legislation reprints available on-line within 5 working days of the commencement of an amendment to the reprint		75%	80%	75%
State contribution ($000)		**9,571**	**10,530**	**13,596**
Other revenue ($000)		**35**	**35**	**35**
Total cost ($000)		**9,606**	**10,565**	**13,631**

Notes:
1. Measurement will commence in 2011-12 utilising surveys provided to Community Cabinet participants.
2. Variance attributed to successful delivery of accountability and ethics training arising from recommendations contained in the CMC *Report on an Investigation into the Alleged Misuse of Public Monies, and a Former Ministerial Adviser*.
3. The satisfaction survey included clients who have worked with Arts Queensland including applicants to Sector Project Grants, small-to-medium arts program (s2m), Building Skills and Opportunities, Regional Arts Development Fund (RADF) and art+place Queensland Public Art Fund.
4. This measure indicates the proportion of grant funding allocated to the sector that has been informed by industry expert advice. The standard refers to funding decisions made as part of competitive or open grant programs.
5. This measure refers to grant recipients who self-identify with one or more of the following target groups: Aboriginal people; Torres Strait Islander people; people from culturally and linguistically diverse backgrounds; children; young people; people with disabilities; Australian South Sea Islanders; and older people.
6. Significant additional capital funds were provided to Arts Queensland in 2010-11 for flood recovery infrastructure projects at the Queensland Cultural Centre. These funds were not available as grants to artists, arts workers or non-government arts and cultural organisations. This has affected the proportion of grant funding out of the total funding pool. The 2011-12 Target/estimate reflects that rebuilding efforts will continue in 2011-12.
7. Workloads are driven by the Government's legislative program and the sittings pattern of the Legislative Assembly. Services are not consistent throughout the year and may vary from year to year.

INCOME STATEMENT

Department of the Premier and Cabinet	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue	1,10,19	207,462	224,169	234,773
User charges	2,11,20	17,730	15,428	18,452
Grants and other contributions	3,12,21	8,953	21,781	4,712
Other revenue	4,22	216	3,016	216
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**234,361**	**264,394**	**258,153**
Expenses				
Employee expenses	5,13,23	61,124	63,249	66,053
Supplies and services	6,14,24	61,374	66,604	72,570
Grants and subsidies	7,15,25	66,545	77,478	73,130
Depreciation and amortisation	8,16,26	43,098	40,011	42,114
Finance/borrowing costs		1,018	1,018	952
Other expenses	17,27	1,202	1,207	863
Losses on sale/revaluation of property, plant and equipment and investments	9,18,28	..	14,827	2,471
Total expenses		**234,361**	**264,394**	**258,153**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

STATEMENT OF CHANGES IN EQUITY

Department of the Premier and Cabinet	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments	29,32	..	(354,634)	..
Increase/(decrease) in asset revaluation surplus		18,431	18,431	17,910
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**18,431**	**(336,203)**	**17,910**
Surplus/(deficit) for the period		..	..	..
Total recognised income and expense for the period		**18,431**	**(336,203)**	**17,910**
Equity injection/(withdrawal)	30,31,33	(39,875)	(36,918)	(28,200)
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**(21,444)**	**(373,121)**	**(10,290)**

BALANCE SHEET

Department of the Premier and Cabinet	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	34,46	5,958	17,460	15,888
Receivables	35,47	7,628	4,768	4,768
Other financial assets		..	..	..
Inventories		113	180	180
Other	36,48	888	1,923	1,923
Non-financial assets held for sale		..	..	..
Total current assets		**14,587**	**24,331**	**22,759**
NON-CURRENT ASSETS				
Receivables	37,49	..	906	906
Other financial assets		..	..	..
Property, plant and equipment	38,50,58	811,870	752,583	741,560
Intangibles	39,51,59	4,822	1,129	2,170
Other		..	..	..
Total non-current assets		**816,692**	**754,618**	**744,636**
TOTAL ASSETS		**831,279**	**778,949**	**767,395**
CURRENT LIABILITIES				
Payables	40,52	1,858	8,199	8,199
Accrued employee benefits		2,634	1,710	1,710
Interest-bearing liabilities and derivatives	41,53	2,214	1,166	1,098
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**6,706**	**11,075**	**11,007**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives	42,54,60	13,478	15,223	14,027
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**13,478**	**15,223**	**14,027**
TOTAL LIABILITIES		**20,184**	**26,298**	**25,034**
NET ASSETS/(LIABILITIES)		**811,095**	**752,651**	**742,361**
EQUITY				
Capital/contributed equity	43,55	439,548	760,577	732,377
Accumulated surplus/(accumulated deficit)	44,56	11,111	(26,357)	(26,357)
Reserves:				
- Asset revaluation surplus	45,57,61	360,436	18,431	36,341
- Other		..	..	..
TOTAL EQUITY		**811,095**	**752,651**	**742,361**

CASH FLOW STATEMENT

Department of the Premier and Cabinet	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts	62,72,83	207,462	226,169	234,773
User charges	63,73,84	18,410	16,108	19,132
Grants and other contributions	64,74,85	8,953	21,781	4,712
Other	65,86	2,856	5,656	2,856
Outflows:				
Employee costs	66,75,87	(61,124)	(63,249)	(66,053)
Supplies and services	67,76,88	(64,014)	(72,244)	(75,210)
Grants and subsidies	68,77,89	(66,545)	(79,478)	(73,130)
Borrowing costs		(1,018)	(1,018)	(952)
Other	78,90	(1,882)	(1,887)	(1,543)
Net cash provided by/(used in) operating activities		**43,098**	**51,838**	**44,585**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed	79,91	8,100	8,100	..
Outflows:				
Payments for property, plant and equipment and intangibles	69,80	(2,772)	(16,411)	(16,693)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**5,328**	**(8,311)**	**(16,693)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	70,81,92	..	500	11,675
Outflows:				
Borrowing redemptions	82,93	(9,261)	(9,261)	(1,264)
Finance lease payments		..	..	..
Equity withdrawals	71,94	(39,875)	(37,418)	(39,875)
Net cash provided by/(used in) financing activities		**(49,136)**	**(46,179)**	**(29,464)**
Net increase/(decrease) in cash held		**(710)**	**(2,652)**	**(1,572)**
Cash at the beginning of financial year		**6,668**	**20,112**	**17,460**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**5,958**	**17,460**	**15,888**

ADMINISTERED INCOME STATEMENT

Department of the Premier and Cabinet	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Revenues				
Commonwealth grants		..	..	..
Taxes, fees and fines		..	..	..
Royalties, property income and other territorial Revenue		..	..	..
Interest		263	263	200
Administered item revenue	95,99,102	193,163	4,024,775	450,123
Other		..	..	..
Total revenues		**193,426**	**4,025,038**	**450,323**
Expenses				
Supplies and services	96,103	14,341	12,595	14,983
Depreciation and amortisation		350	350	350
Grants and subsidies	97,100,104	150,848	3,982,006	406,075
Benefit payments		..	..	..
Borrowing costs		263	263	200
Other	98,101,105	27,624	29,824	28,715
Total expenses		**193,426**	**4,025,038**	**450,323**
Net surplus or deficit before transfers to Government		**..**	**..**	**..**
Transfers of administered revenue to Government		**..**	**..**	**..**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

ADMINISTERED BALANCE SHEET

Department of the Premier and Cabinet	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets		8,540	7,997	9,224
Receivables	106,108,114	2,273	1,573	3,845
Inventories		..	..	..
Other		267	217	217
Non-financial assets held for sale		..	..	..
Total current assets		**11,080**	**9,787**	**13,286**
NON-CURRENT ASSETS				
Receivables	109,115	3,325	3,271	..
Other financial assets		..	..	..
Property, plant and equipment		582	529	510
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**3,907**	**3,800**	**510**
TOTAL ADMINISTERED ASSETS		**14,987**	**13,587**	**13,796**
CURRENT LIABILITIES				
Payables	107,110	1,640	160	159
Transfers to Government payable		..	..	..
Interest-bearing liabilities	111,116	1,000	1,000	3,271
Other		..	..	..
Total current liabilities		**2,640**	**1,160**	**3,430**
NON-CURRENT LIABILITIES				
Payables	112,117	5,913	6,065	7,265
Interest-bearing liabilities	113,118	3,325	3,271	..
Other		20	10	20
Total non-current liabilities		**9,258**	**9,346**	**7,285**
TOTAL ADMINISTERED LIABILITIES		**11,898**	**10,506**	**10,715**
ADMINISTERED NET ASSETS/(LIABILITIES)		**3,089**	**3,081**	**3,081**
EQUITY				
Capital/Contributed equity		3,726	3,712	3,712
Accumulated surplus/(Accumulated deficit)		(637)	(631)	(631)
Reserves:				
- Asset revaluation surplus		..	..	..
- Other		..	..	..
TOTAL ADMINISTERED EQUITY		**3,089**	**3,081**	**3,081**

ADMINISTERED CASH FLOW STATEMENT

Department of the Premier and Cabinet	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Administered item receipts	119,123,126	193,163	4,026,221	450,123
Grants and other contributions		..	..	..
Taxes, fees and fines		..	..	..
Royalties, property income and other territorial revenues		..	..	..
Other		262	262	199
Outflows:				
Transfers to Government		..	..	..
Grants and subsidies	120,124,127	(150,848)	(3,982,006)	(406,075)
Supplies and services	121,128	(14,341)	(14,041)	(14,983)
Borrowing costs		(263)	(263)	(200)
Other	122,125,129	(26,415)	(28,615)	(27,506)
Net cash provided by/(used in) operating activities		**1,558**	**1,558**	**1,558**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		1,000	1,000	1,000
Outflows:				
Payments for property, plant and equipment and intangibles		(331)	(331)	(331)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**669**	**669**	**669**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		(1,000)	(1,000)	(1,000)
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**(1,000)**	**(1,000)**	**(1,000)**
Net increase/(decrease) in cash held		**1,227**	**1,227**	**1,227**
Administered cash at beginning of financial year		**7,313**	**6,770**	**7,997**
Cash transfers from restructure		..	..	..
Administered cash at end of financial year		**8,540**	**7,997**	**9,224**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. An increase in service revenue primarily due to the State's contribution to and administration of the Premier's Disaster Relief Appeal (the PDRA), establishment of the Queensland Floods Commission of Inquiry (the Commission of Inquiry), implementation of legislative reforms under the National Partnership Agreement to deliver a Seamless National Economy (NPA legislative reforms) and additional funding for the Queensland Symphony Orchestra relocation.
2. A decrease in user charges primarily due to extended closure of the Queensland Cultural Centre (QCC) car parks due to flood damage, partly offset by increased corporate support provided to other entities.
3. An increase in grants and other contributions primarily due to funding provided by the Queensland Reconstruction Authority for QCC flood recovery activities.
4. An increase in other revenue due to an insurance claim for lost QCC car park revenues due to flood damage.
5. An increase in employee expenses due to administration of the PDRA, establishment of the Commission of Inquiry, implementation of NPA legislative reforms and increased corporate support provided to other entities.
6. An increase in supplies and services due to administration of the PDRA, implementation of NPA legislative reforms, QCC flood recovery activities and increased corporate support provided to other entities, partly offset by reclassification of expenditure upon establishment of Gold Coast 2018 Commonwealth Games Bid Ltd (CG Bid Ltd).
7. An increase in grants and subsidies due to the State's contribution to the PDRA and reclassification of expenditure upon establishment of CG Bid Ltd, partly offset by deferral of Arts Queensland programs delayed due to the Queensland floods and Tropical Cyclone Yasi.
8. A decrease in depreciation following the June 2010 revaluation of Queensland Government aircraft and the QCC.
9. An increase in losses on sale/revaluation of property, plant and equipment and investments due to impairment of QCC assets due to flood damage.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

10. An increase in service revenue primarily due to new funding for the Visual Arts and Craft Strategy, *Backing Indigenous Arts*, small-to-medium arts sector, administration of the PDRA, the Commission of Inquiry, implementation of NPA legislative reforms, development of eLegislation, Enterprise Bargaining arrangements and funding carried forward due to flood related delays to Cairns Cultural Precinct Planning and the Queensland Symphony Orchestra relocation. This increase is partly offset by the completion of the Mackay regional sitting of Parliament (Regional Parliament).
11. An increase in user charges primarily due to increased corporate support provided to other entities.
12. A decrease in grants and other contributions primarily due to completion of the Queensland Symphony Orchestra relocation, reduced sponsorship of State run events and transfer of administrative responsibility for the Council for the Australian Federation to the Northern Territory Government (transfer of CAF). This decrease is partly offset by grant funding provided by the Queensland Reconstruction Authority to repair flood damage to the QCC.
13. An increase in employee expenses primarily due to administration of the PDRA, the Commission of Inquiry, implementation of NPA legislative reforms, development of eLegislation, increased corporate support provided to other entities and Enterprise Bargaining arrangements, partly offset by the transfer of CAF and reclassification of expenditure upon establishment of CG Bid Ltd.
14. An increase in supplies and services primarily due to the Commission of Inquiry, implementation of NPA legislative reforms, development of eLegislation and QCC flood recovery activities, partly offset by completion of Regional Parliament and reclassification of expenditure upon establishment of CG Bid Ltd.
15. An increase in grants and subsidies due to deferred payments and reclassification of expenditure upon establishment of CG Bid Ltd.
16. A decrease in depreciation following the June 2010 revaluation of Queensland Government aircraft and the QCC.
17. A decrease in other expenses primarily due to reduced sponsorships.
18. An increase in losses on sale/revaluation of property, plant and equipment and investments due to the impairment of QCC assets due to flood damage.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

19. An increase in service revenue primarily due to new funding for the Visual Arts and Craft Strategy, *Backing Indigenous Arts*, small-to-medium arts sector, full year impact of the Commission of Inquiry and NPA legislative reforms, development of eLegislation and Enterprise Bargaining arrangements, partly offset by winding-up of CG Bid Ltd and completion of the State's contribution to the PDRA and Regional Parliament.
20. An increase in user charges primarily due to the return to normal levels of QCC car park revenue after an extended closure due to flood damage and increased corporate support provided to other entities.
21. A decrease in grants and other contributions primarily due to a reduction in funding provided by the Queensland Reconstruction Authority to repair QCC flood damage, reduced sponsorship of State run events and the transfer of CAF.
22. A decrease in other revenue due to an insurance claim for lost QCC car park revenues due to flood damage in 2010-11.
23. An increase in employee expenses primarily due to full year impact of the Commission of Inquiry and implementation of NPA legislative reforms, development of eLegislation and Enterprise Bargaining arrangements, partly offset by completion of activities associated with the PDRA and the transfer of CAF.
24. An increase in supplies and services primarily due to full year impact of the Commission of Inquiry, development of eLegislation and increased corporate support provided to other entities, partly offset by completion of activities associated with the PDRA and Regional Parliament.
25. A decrease in grants and subsidies due to winding-up of CG Bid Ltd and completion of the State's contribution to the PDRA, partly offset by deferred expenditure for the Queensland Symphony Orchestra relocation due to flood damage.
26. An increase in depreciation and amortisation due to an index revaluation of the QCC in 2010-11.
27. A decrease in other expenses primarily due to reduced sponsorships.
28. A decrease in losses on sale/revaluation of property, plant and equipment and investments due to the impairment of QCC assets due to flood damage.

Statement of changes in equity

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
29. A decrease in net effect of the changes in accounting policies and prior year adjustments due to reclassification of asset reserve balances accumulated prior to 2009-10 as a result of machinery-of-Government changes.
30. A decrease in equity withdrawal primarily due to the redevelopment of the Queensland Museum South Bank.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
31. A decrease in equity withdrawal primarily due to the redevelopment of the Queensland Museum South Bank.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
32. An increase in net effect of the changes in accounting policies and prior year adjustments due to reclassification of asset reserve balances accumulated prior to 2009-10 as a result of machinery-of-Government movements.
33. A decrease in equity withdrawal primarily due to the redevelopment of the Queensland Museum South Bank.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
34. An increase in cash assets to meet current payables for Queensland Cultural Centre (QCC) flood recovery expenses.
35. A decrease in current receivables primarily due to repayment of loans associated with Screen Queensland Pty Ltd and reclassification of other loans between current and non-current.
36. An increase in other current assets primarily due to increased rent and grant prepayments.
37. An increase in non-current receivables due to reclassification of loans receivable between current and non-current.
38. A decrease in property, plant and equipment primarily due to an impairment of QCC assets due to flood damage.
39. A decrease in intangibles primarily due to deferred implementation of information systems.
40. An increase in current payables due to accrued expenses for QCC flood recovery activities.
41. A decrease in current interest-bearing liabilities and derivatives due to repayment of loans associated with Screen Queensland Pty Ltd and reclassification of loans payable between current and non-current.
42. An increase in non-current interest-bearing liabilities and derivatives due to reclassification of loans payable between current and non-current.
43. An increase in capital/contributed equity due to reclassification of asset reserve balances accumulated prior to 2009-10 as a result of machinery-of-Government changes.
44. A decrease in accumulated surplus/(accumulated deficit) due to an index devaluation of QCC at the end of 2009-10.
45. A decrease in asset revaluation surplus due to reclassification of balances accumulated prior to 2009-10 as a result of machinery-of-Government changes.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
46. An increase in cash assets to meet anticipated current payables at year end.
47. A decrease in current receivables primarily due to repayment of loans associated with Screen Queensland Pty Ltd and reclassification of other loans between current and non-current.
48. An increase in other current assets primarily due to increased rent and grant prepayments.
49. An increase in non-current receivables due to reclassification of loans receivable between current and non-current.
50. A decrease in property, plant and equipment primarily due to an impairment of QCC assets due to flood damage.
51. A decrease in intangibles primarily due to deferred implementation of information systems.
52. An increase in current payables due to accrued grants at end of year.
53. A decrease in current interest-bearing liabilities and derivatives due to repayment of loans associated with Screen Queensland Pty Ltd and reclassification of loans payable between current and non-current.
54. An increase in non-current interest-bearing liabilities and derivatives primarily due to reclassification of loans payable between current and non-current, partly offset by repayment of loans associated with Queensland Government aircraft.
55. An increase in capital/contributed equity due to reclassification of asset reserve balances accumulated prior to 2009-10 as a result of machinery-of-Government changes.
56. A decrease in accumulated surplus due to an index devaluation of QCC at the end of 2009-10.
57. A decrease in asset revaluation surplus due to reclassification of balances accumulated prior to 2009-10 as a result of machinery-of-Government changes.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
58. A decrease in property, plant and equipment due to the depreciation of assets.
59. An increase in intangibles primarily due to development of information systems deferred from 2010-11.
60. A decrease in non-current interest-bearing liabilities and derivatives primarily due to repayment of loans associated with Queensland Government aircraft.
61. An increase in asset revaluation surplus due to the index revaluation of the QCC in 2010-11.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
62. An increase in service receipts primarily due to the State's contribution to and administration of the Premier's Disaster Relief Appeal (the PDRA), establishment of the Queensland Floods Commission of Inquiry (the Commission of Inquiry), implementation of legislative reforms under the National Partnership Agreement to deliver a Seamless National Economy (NPA legislative reforms) and additional funding for the Queensland Symphony Orchestra relocation.
63. A decrease in user charges primarily due to extended closure of the Queensland Cultural Centre (QCC) car parks due to flood damage, partly offset by increased corporate support provided to other entities.
64. An increase in grants and other contributions primarily due to funding provided by the Queensland Reconstruction Authority for QCC flood recovery activities.
65. An increase in other receipts due to an insurance claim for lost QCC car park revenues due to flood damage.
66. An increase in employee costs due to administration of the PDRA, establishment of the Commission of Inquiry, NPA legislative reforms and increased corporate support provided to other entities.

67. An increase in supplies and services due to administration of the PDRA, NPA legislative reforms, QCC flood recovery activities and increased corporate support provided to other entities, partly offset by reclassification of costs upon establishment of CG Bid Ltd.
68. An increase in grants and subsidies due to the State's contribution to the PDRA and reclassification of costs upon establishment of CG Bid Ltd, partly offset by deferral of Arts Queensland programs delayed due to the Queensland floods and Cyclone Yasi.
69. An increase in payments for property, plant and equipment and intangibles due to replacement of flood damaged assets.
70. An increase in equity injections primarily due to the redevelopment of the Queensland Museum South Bank.
71. A decrease in equity withdrawals to match reduced depreciation expenses on the QCC.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
72. An increase in service receipts primarily due to new funding for the Visual Arts and Craft Strategy, *Backing Indigenous Arts*, small-to-medium arts sector, administration of the PDRA, the Commission of Inquiry, NPA legislative reforms, development of the eLegislation, Enterprise Bargaining arrangements and funding carried forward due to flood related delays to Cairns Cultural Precinct Planning and the Queensland Symphony Orchestra relocation, partly offset by completion of the Mackay regional sitting of Parliament (Regional Parliament).
73. An increase in user charges primarily due to increased corporate support provided to other entities.
74. A decrease in grants and other contributions primarily due to completion of the Queensland Symphony Orchestra relocation, reduced sponsorship of State run events and the transfer of administrative responsibility for the Council for the Australian Federation to the Northern Territory Government (transfer of CAF), partly offset by grant funding provided by the Queensland Reconstruction Authority to repair flood damage to the QCC.
75. An increase in employee costs primarily due to administration of the PDRA, the Commission of Inquiry, NPA legislative reforms, development of eLegislation, increased corporate support provided to other entities and Enterprise Bargaining arrangements, partly offset by the transfer of CAF and reclassification of costs upon establishment of CG Bid Ltd.
76. An increase in supplies and services primarily due to the Commission of Inquiry, NPA legislative reforms, development of eLegislation and QCC flood recovery activities, partly offset by completion of Regional Parliament and reclassification of costs upon the establishment of CG Bid Ltd.
77. An increase in grants and subsidies due to deferred payments and reclassification of costs upon establishment of CG Bid Ltd.
78. A decrease in other outflows primarily due to reduced sponsorships.
79. A decrease in loans and advances redeemed due to repayment of loans by Screen Queensland Pty Ltd.
80. An increase in payments for property, plant and equipment and intangibles due to replacement of flood damaged assets.
81. An increase in equity injections primarily due to the redevelopment of the Queensland Museum South Bank.
82. A decrease in borrowing redemptions due to repayment of loans associated with Screen Queensland Pty Ltd.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
83. An increase in service receipts primarily due to new funding for the Visual Arts and Craft Strategy, *Backing Indigenous Arts*, small-to-medium arts sector, full year impact of the Commission of Inquiry and NPA legislative reforms, development of eLegislation and Enterprise Bargaining arrangements, partly offset by winding-up of CG Bid Ltd and completion of the State's contribution to the PDRA and Regional Parliament.
84. An increase in user charges primarily due to the return to normal levels of QCC car park receipts after an extended closure due to flood damage as well as increased corporate support provided to other entities.
85. A decrease in grants and other contributions primarily due to a reduction in funding provided by the Queensland Reconstruction Authority to repair QCC flood damage, reduced sponsorship of State run events and the transfer of CAF.
86. A decrease in other receipts due to an insurance claim for lost QCC car park revenues due to flood damage in 2010-11.
87. An increase in employee costs primarily due to full year impact of the Commission of Inquiry and implementation of NPA legislative reforms, development of eLegislation and Enterprise Bargaining arrangements, partly offset by completion of activities associated with the PDRA and the transfer of CAF.
88. An increase in supplies and services primarily due to full year impact of the Commission of Inquiry, development of eLegislation increased corporate support provided to other entities, partly offset by completion of activities associated with the PDRA and Regional Parliament.
89. A decrease in grants and subsidies due to winding-up of CG Bid Ltd and completion of the State's contribution to the PDRA, partly offset by deferred payment for the Queensland Symphony Orchestra relocation due to flood damage.
90. A decrease in other outflows primarily due to reduced sponsorships.
91. A decrease in loans and advances redeemed due to repayment of loans by Screen Queensland Pty Ltd.
92. An increase in equity injections primarily due to the redevelopment of the Queensland Museum South Bank.
93. A decrease in borrowing redemptions due to the repayment of loans associated with Screen Queensland Pty Ltd.
94. An increase in equity withdrawals to match increased depreciation expenses on the QCC.

Administered income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
95. An increase in administered item revenue due to establishment of the Queensland Reconstruction Authority and increased funding for Events Queensland to attract major events.
96. A decrease in supplies and services due to a transfer to other expenses in relation to Ministerial Offices and Office of the Leader of the Opposition.
97. An increase in grants and subsidies due to establishment of the Queensland Reconstruction Authority and increased payments to Events Queensland to attract major events.
98. An increase in other expenses due to a transfer from supplies and services expenses in relation to Ministerial Offices and Office of the Leader of the Opposition.

Major variations between 2010-11 Budget and the 2011-12 Estimate include:
99. An increase in administered item revenue due to new funding for establishment of the Queensland Reconstruction Authority, redevelopment of Queensland Museum South Bank, Queensland Art Gallery blockbuster exhibitions as well as increased funding for Events Queensland to attract major events and Enterprise Bargaining arrangements.

100. An increase in grants and subsidies due to new payments for establishment of the Queensland Reconstruction Authority, redevelopment of Queensland Museum South Bank, Queensland Art Gallery blockbuster exhibitions as well as increased grants to Events Queensland to attract major events and Enterprise Bargaining arrangements.
101. An increase in other expenses due to Enterprise Bargaining arrangements for Ministerial Offices and Office of the Leader of the Opposition.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
102. A decrease in administered item revenue due to reduced funding between years for the Queensland Reconstruction Authority, partly offset by additional funding for Events Queensland to attract major events, redevelopment of Queensland Museum South Bank, Queensland Art Gallery blockbuster exhibitions and Enterprise Bargaining arrangements.
103. An increase in supplies and services due to a net difference between years in costs carried forward for Ministerial Offices and Office of the Leader of the Opposition.
104. A decrease in grants and subsidies due to reduced payment between years to the Queensland Reconstruction Authority, partly offset by additional payments to Events Queensland to attract major events, redevelopment of Queensland Museum South Bank, Queensland Art Gallery blockbuster exhibitions and Enterprise Bargaining arrangements.
105. A decrease in other expenses due to differences between years in costs carried forward for Ministerial Offices and Office of the Leader of the Opposition, partly offset by Enterprise Bargaining arrangements.

Administered balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
106. A decrease in current receivables due to fluctuations between years in whole-of-Government centralised leave schemes.
107. A decrease in current payables due to fluctuations between years in accrued expenses.

Major variations between 2010-11 Budget and the 2011-12 Estimate include:
108. An increase in current receivables due to reclassification of loans receivable between current and non-current.
109. A decrease in non-current receivables due to reclassification of loans receivable between current and non-current.
110. A decrease in current payables due to fluctuations between years in accrued expenses.
111. An increase in current interest-bearing liabilities due to reclassification of loans payable between current and non-current.
112. An increase in non-current payables due to movements in the severance provisions for Ministerial Offices and Office of the Leader of the Opposition.
113. A decrease in non-current interest-bearing liabilities due to reclassification of loans payable between current and non-current.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
114. An increase in current receivables due to reclassification of loans receivable between current and non-current.
115. A decrease in non-current receivables due to reclassification of loans receivable between current and non-current.
116. An increase in current interest-bearing liabilities due to reclassification of loans payable between current and non-current.
117. An increase in non-current payables due to movements in the severance provisions for Ministerial Offices and Office of the Leader of the Opposition.
118. A decrease in non-current interest-bearing liabilities due to reclassification of loans payable between current and non-current.

Administered cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
119. An increase in administered item receipts due to new funding for establishment of the Queensland Reconstruction Authority and increased funding for Events Queensland to attract major events.
120. An increase in grants and subsidies due to establishment of the Queensland Reconstruction Authority and increased payments to Events Queensland to attract major events.
121. A decrease in supplies and services due to a transfer to other outflows in relation to Ministerial Offices and Office of the Leader of the Opposition, partly offset by movements in accrued loan receivables between years.
122. An increase in other outflows due to a transfer from supplies and services in relation to Ministerial Offices and Office of the Leader of the Opposition.

Major variations between 2010-11 Budget and the 2011-12 Estimate include:
123. An increase in administered item receipts due to new funding for establishment of the Queensland Reconstruction Authority, redevelopment of Queensland Museum South Bank, Queensland Art Gallery blockbuster exhibitions as well as increased funding for Events Queensland to attract major events and Enterprise Bargaining arrangements.
124. An increase in grants and subsidies due to payments for establishment of the Queensland Reconstruction Authority, redevelopment of Queensland Museum South Bank, Queensland Art Gallery blockbuster exhibitions as well as increased grants to Events Queensland to attract major events and Enterprise Bargaining arrangements.
125. An increase in other outflows due to Enterprise Bargaining arrangements for Ministerial Offices and Office of the Leader of the Opposition.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
126. A decrease in administered item receipts due to reduced payments between years for the Queensland Reconstruction Authority, partly offset by additional funding for Events Queensland to attract major events, redevelopment of Queensland Museum South Bank, Queensland Art Gallery blockbuster exhibitions and Enterprise Bargaining arrangements.
127. A decrease in grants and subsidies due to reduced payments provided to the Queensland Reconstruction Authority, partly offset by additional payments to Events Queensland to attract major events, redevelopment of Queensland Museum South Bank, Queensland Art Gallery blockbuster exhibitions and Enterprise Bargaining arrangements.
128. An increase in supplies and services due to difference between years in costs carried forward for Ministerial Offices and Office of the Leader of the Opposition.
129. A decrease in other outflows due to differences between years in costs carried forward for Ministerial Offices and Office of the Leader of the Opposition, partly offset by Enterprise Bargaining arrangements.

Shared Service Provider

Corporate Administration Agency

OVERVIEW

The Corporate Administration Agency (CAA) has been operating as a shared service provider since 1 July 1997. The agency delivers high quality, value adding and cost effective corporate services across Government.

The CAA provides flexible shared services to Government that deliver corporate services to the arts portfolio and other statutory bodies. The CAA operates under the shared services model to deliver effective and efficient services by utilising standard systems and common practices, thus creating economies of scale. The CAA has been structured in a way that clients may choose to purchase the full suite of services or purchase separate components on an annual retainer or project basis depending on their specific business needs.

The suite of services offered by the CAA consists of human resource (HR) management including HR consultancy, payroll and recruitment; financial management including financial consultancy, procurement and financial transaction services; and information management including information technology (IT), business systems and document and records management.

REVIEW OF PERFORMANCE

Recent achievements

During 2010-11 the Corporate Administration Agency:

- implemented a range of corporate services including payroll and financial business systems for Skills Queensland and the Health Quality and Complaints Commission
- provided specific IT services to the Queensland Theatre Company to support business continuity during the January 2011 Brisbane flood event
- implemented an on-line learning package for Arts Queensland, State Library of Queensland, Queensland Museum, Queensland Art Gallery and South Bank Corporation
- continued to promote and roll out the Tower Records Information Management electronic Document and Records Management System business solution within Arts Queensland.

Future developments

The Corporate Administration Agency will:

- review financial transaction business processes with client agencies
- develop and implement business enhancement strategies for client agencies
- develop and implement a client extranet
- apply a version upgrade to the financial business system.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
	2	85	77	74

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. The reduction in FTE results from changes in client service provision, and from organisational efficiencies which have been identified throughout the 2010-11 financial year.

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/Est.
Service standards				
Shared Service Provider operating surplus/(deficit) ($)	1	..	..	..
Labour costs as a percentage of total expenses		71%	69%	69%

Note:
1. The Corporate Administration Agency objective is achieving a balanced end of year position.

INCOME STATEMENT

Corporate Administration Agency	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue		..	..	..
User charges	1,3	11,379	10,674	10,744
Grants and other contributions		183	183	183
Other revenue		11	11	11
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**11,573**	**10,868**	**10,938**
Expenses				
Employee expenses	2,4	8,167	7,462	7,591
Supplies and services		3,024	2,809	2,745
Grants and subsidies		..	..	..
Depreciation and amortisation		312	412	432
Finance/borrowing costs		15	15	..
Other expenses		55	170	170
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**11,573**	**10,868**	**10,938**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

STATEMENT OF CHANGES IN EQUITY

Corporate Administration Agency	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation surplus		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		..	..	..
Total recognised income and expense for the period		**..**	**..**	**..**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**..**	**..**	**..**

BALANCE SHEET

Corporate Administration Agency	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets		2,210	2,405	2,737
Receivables	5,8	2,527	662	662
Other financial assets		..	..	..
Inventories		34	..	..
Other		392	481	481
Non-financial assets held for sale		..	..	..
Total current assets		**5,163**	**3,548**	**3,880**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	6,9	1,421	783	539
Intangibles		326	418	330
Other		..	..	..
Total non-current assets		**1,747**	**1,201**	**869**
TOTAL ASSETS		**6,910**	**4,749**	**4,749**
CURRENT LIABILITIES				
Payables	7,10	2,503	283	283
Accrued employee benefits		264	192	192
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**2,767**	**475**	**475**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**2,767**	**475**	**475**
NET ASSETS/(LIABILITIES)		**4,143**	**4,274**	**4,274**
EQUITY				
Capital/contributed equity		786	786	786
Accumulated surplus/(accumulated deficit)		3,357	3,488	3,488
Reserves:				
- Asset revaluation surplus		..	..	..
- Other		..	..	..
TOTAL EQUITY		**4,143**	**4,274**	**4,274**

CASH FLOW STATEMENT

Corporate Administration Agency	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts		..	..	..
User charges	11,13	11,379	10,674	10,744
Grants and other contributions		183	183	183
Other		11	11	11
Outflows:				
Employee costs	12,14	(8,167)	(7,462)	(7,591)
Supplies and services		(3,024)	(2,809)	(2,745)
Grants and subsidies		..	..	..
Borrowing costs		(15)	(15)	..
Other		(55)	(170)	(170)
Net cash provided by/(used in) operating activities		**312**	**412**	**432**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		(100)	(100)	(100)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(100)**	**(100)**	**(100)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		(91)	(9)	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**(91)**	**(9)**	**..**
Net increase/(decrease) in cash held		**121**	**303**	**332**
Cash at the beginning of financial year		**2,089**	**2,102**	**2,405**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**2,210**	**2,405**	**2,737**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. A decrease in user charges due to reduction in provision of client services associated with machinery-of-Government restructure.
2. A decrease in employee expenses due to reduction in provision of client services associated with machinery-of-Government restructure.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

3. A decrease in user charges due to reduction in provision of client services associated with machinery-of-Government restructure.
4. A decrease in employee expenses due to reduction in provision of client services associated with machinery-of-Government restructure.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

5. A decrease in current receivables due to the transfer of facilities management to Arts Queensland.
6. A decrease in property, plant and equipment due to the transfer of assets to Arts Queensland during 2010-11.
7. A decrease in current payables due to the transfer of facilities management to Arts Queensland.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

8. A decrease in current receivables due to the transfer of facilities management to Arts Queensland.
9. A decrease in property, plant and equipment due to the transfer of assets to Arts Queensland during 2010-11.
10. A decrease in current payables due to the transfer of facilities management to Arts Queensland.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

11. A decrease in user charges due to reduction in provision of client services associated with machinery-of-Government restructure.
12. A decrease in employee costs due to reduction in provision of client services associated with machinery-of-Government restructure.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

13. A decrease in user charges due to reduction in provision of client services associated with machinery-of-Government restructure.
14. A decrease in employee costs due to reduction in provision of client services associated with machinery-of-Government restructure.

Statutory Bodies

Events Queensland Pty Ltd

OVERVIEW

Events Queensland Pty Ltd (Events Queensland) contributes to the Government's *Toward Q2: Tomorrow's Queensland* ambition of Strong – *Creating a diverse economy powered by bright ideas*, through working with tourism industry stakeholders to leverage the Government's investment in major events as a means of targeting tourism markets domestically and internationally, and in regional events to highlight Queensland's cultural and geographical diversity, developing financial sustainability and to enhance regional communities. While participating in an intensely competitive industry, Events Queensland continues to seek opportunities to secure major one-off international events while maintaining a strong focus on developing both existing and new events.

REVIEW OF PERFORMANCE

Recent achievements

During 2010-11 Events Queensland:

- provided promotional support and marketing opportunities at Events Queensland sponsored events for the 2018 Commonwealth Games Bid Committee
- hosted the fourth annual Asia Pacific Screen Awards, attended by over 700 film industry professionals and broadcast in Australia through ABC1 and internationally through the Australian Network
- organised the Gold Coast Airport Marathon 2010 with a record participation of over 23,800 participants including 5,643 from interstate and 2,111 overseas entrants
- held the 2010 Pan Pacific Masters Games on the Gold Coast from 6–14 November 2010, receiving 11,189 entries of which 2,199 were from interstate and 735 were from overseas.

In addition, Events Queensland:

- supported the Noosa Triathlon and Multi-Sport Festival 2010, which attracted 10,840 competitors and generated 86,390 visitor nights, and the Mooloolaba Triathlon 2011 which achieved over 7,000 participants
- hosted the Australian PGA Championships 2010 with a crowd capacity of 45,000 and a national and international television audience watched a world class field compete for a prize pool of $1.5 million in a very successful PGA Championship
- secured the Australian hosting rights for the International Rugby Board World Rugby 7's to be held on the Gold Coast
- partnered with the Gallery of Modern Art for the *Valentino, Retrospective: Past/Present/Future* Exhibition, an exclusive opportunity in Brisbane (from 7 August to 14 November 2010), which attracted more than 201,000 visitors, 52% of whom came from outside of Brisbane
- held the Brisbane International Tennis Tournament 2011, attracting more than 67,000 spectators in torrid weather conditions. A world class playing field competed before a national television audience of 2.3 million viewers over five days. The tournament was also broadcast into 142 countries

- supported the 2010 Australian Surf Life Saving Championship which achieved a record of 8,100 competitors, with 78% of competitors coming from outside of Queensland and generating 74,519 visitor nights
- partnered the Quiksilver and Roxy Pro surfing championships, held on the Gold Coast during February and March 2011. The event attracted 30,000 spectators and was broadcast on HD-1, the first 3D channel in Europe. In addition, a live webcast attracted 2,104,361 visits from 195 countries
- secured the AFL draft and industry Conference for the Gold Coast – the first time this event has taken place outside of Victoria
- renewed the partnership with Magic Millions Race Day Carnival and January/June Yearling Sales until 2017. The January 2011 Race Day achieved 40% growth over 2010
- partnered with Australian Rugby League on the 2011 Indigenous Rugby League All Stars event on the Gold Coast which attracted attendees from outside South-East Queensland
- partnered with Arts Queensland and Brisbane Powerhouse on the 2011 World Theatre festival which showcased new and innovative theatre from around the world
- assisted events across regional Queensland through the Events Queensland Regional Development Program.

Events Queensland assumed the funding of the State's seven convention bureaux which in 2009-10 supported 3,784 business events across the State attended by 356,375 delegates.

Future developments

In 2011-12, Events Queensland will continue to support:
- attraction of mega-events by supporting the 2018 Commonwealth Games Bid Committee and by working with Football Federation Australia and Cricket Australia to secure high value matches for the 2015 AFC Asian Cup and 2015 ICC Cricket World Cup
- events including the 2011 Gold Coast Airport Marathon, 2011 Australian University Games, 2011 Bledisloe Cup, 2011 PGA of Australia Championship, 2012 Australian Surf Life Saving Titles, 2012 Pan Pacific Masters Games and 2012 World Theatre Festival
- further exhibitions at the Museum of Queensland, Gallery of Modern Art and the Queensland Performing Arts Complex including a Surrealism exhibition
- Mooloolaba and Noosa Triathlons and the Brisbane International Tennis Tournament
- Magic Millions January Race Carnival and Sales and June Sales
- Quiksilver Pro, Roxy Pro and Coolangatta Gold
- Cairns Indigenous All Stars, AFL matches in Cairns and the Cairns Multi-sport Festival including Challenge Cairns.

In addition, Events Queensland will:
- administer the State of Queensland's three event contracts with V8 Supercars Australia for the Gold Coast 600, Townsville 500 and Ipswich 300
- develop a diversified portfolio of event investments and leverage the greatest tourism benefits possible for the State in conjunction with major partners
- invest in the Events Queensland Regional Development Program to extend the flow of economic and social benefits of events to the regions giving a boost to local communities
- provide support to the State's seven convention bureaux in order to attract significant business events
- administer the international bid fund for business events that support events such as the 2012 International Geological Congress in Brisbane and the 2012 Australian Tourism Awards in Cairns.

STATEMENTS

STAFFING[1]

Service areas	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
Services				
Major Events Securement and Support		8.75	13.00	15.00
Events Queensland Regional Development Program		2.75	2.75	2.75

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

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Major Events Securement and Support				
Service Standards Level of satisfaction by event organisers with support provided		90%	90%	90%
Other measures Number of event submissions received and assessed		70	70	75
State contribution ($000)		**14,230**	**20,190**	**33,390**
Other revenue ($000)		**300**	**300**	**300**
Total cost ($000)		**14,530**	**20,490**	**33,690**
Service Area: Events Queensland Regional Development Program (EQRDP)				
Service standards Level of satisfaction by event organiser with support provided		90%	90%	90%
Other measures Number of event applications received and assessed		140	157	145
Established deadlines under the EQRDP		100%	95%	100%
Regional educational activities under the EQRDP		20	21	22
State contribution ($000)		**2,400**	**2,400**	**2,400**
Other revenue ($000)		**..**	**..**	**..**
Total cost ($000)		**2,400**	**2,400**	**2,400**

INCOME STATEMENT

Events Queensland Pty Ltd	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue		..	..	..
User charges		..	..	..
Grants and other contributions	1,3,5	16,630	22,590	35,790
Other revenue		300	300	300
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**16,930**	**22,890**	**36,090**
Expenses				
Employee expenses		1,556	1,556	1,556
Supplies and services		856	856	856
Grants and subsidies	2,4,6	14,509	20,469	33,669
Depreciation and amortisation		9	9	9
Finance/borrowing costs		..	..	..
Other expenses		..	..	..
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**16,930**	**22,890**	**36,090**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

STATEMENT OF CHANGES IN EQUITY

Events Queensland Pty Ltd	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation surplus		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		..	..	..
Total recognised income and expense for the period		**..**	**..**	**..**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**..**	**..**	**..**

BALANCE SHEET

Events Queensland Pty Ltd	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	7,10	5,318	4,958	4,958
Receivables		316	369	369
Other financial assets		..	..	..
Inventories		..	..	..
Other		..	28	28
Non-financial assets held for sale		..	..	..
Total current assets		**5,634**	**5,355**	**5,355**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		92	56	57
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**92**	**56**	**57**
TOTAL ASSETS		**5,726**	**5,411**	**5,412**
CURRENT LIABILITIES				
Payables	8,11	953	1,898	1,923
Accrued employee benefits		192	116	93
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	49	49
Total current liabilities		**1,145**	**2,063**	**2,065**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits	9,12	305	62	61
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**305**	**62**	**61**
TOTAL LIABILITIES		**1,450**	**2,125**	**2,126**
NET ASSETS/(LIABILITIES)		**4,276**	**3,286**	**3,286**
EQUITY				
Capital/contributed equity		..	..	..
Accumulated surplus/(accumulated deficit)		4,276	3,286	3,286
Reserves:				
- Asset revaluation surplus		..	..	..
- Other		..	..	..
TOTAL EQUITY		**4,276**	**3,286**	**3,286**

CASH FLOW STATEMENT

Events Queensland Pty Ltd	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts		..	..	..
User charges		..	..	..
Grants and other contributions	13,15,17	16,630	22,590	35,790
Other		300	300	300
Outflows:				
Employee costs		(1,580)	(1,580)	(1,580)
Supplies and services		(831)	(831)	(831)
Grants and subsidies	14,16,18	(14,509)	(20,469)	(33,669)
Borrowing costs		..	..	..
Other		..	..	..
Net cash provided by/(used in) operating activities		**10**	**10**	**10**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		(10)	(10)	(10)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(10)**	**(10)**	**(10)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**..**	**..**	**..**
Cash at the beginning of financial year		**5,318**	**4,958**	**4,958**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**5,318**	**4,958**	**4,958**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. An increase in grants and other contributions primarily due to additional funding provided for exhibitions at the Gallery of Modern Art, the Queensland Museum and new events.
2. An increase in grant and subsidies primarily due to grant payments in relation to exhibitions at the Gallery of Modern Art, the Queensland Museum and new events.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

3. An increase in grants and other contributions primarily due to additional funding provided to attract and support a range of major events.
4. An increase in grant and subsidies primarily due to grant payments to support a range of major events.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

5. An increase in grants and other contributions primarily due to additional funding provided to attract and support a range of major events.
6. An increase in grant and subsidies primarily due to grant payments to support a range of major events.

Balance Sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

7. A decrease in cash assets reflecting a timing difference in the payment of creditors.
8. An increase in accounts payable due to timing differences in the payment of creditors.
9. A reduction in accrued employee benefits due to a significant payout of liabilities during 2010-11.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

10. A decrease in cash assets reflecting a timing difference in the payment of creditors.
11. An increase in accounts payable due to timing differences in the payment of creditors.
12. A reduction in accrued employee benefits due to a significant payout of liabilities during 2010-11.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

13. An increase in grants and other contributions primarily due to additional funding provided for exhibitions at the Gallery of Modern Art, the Queensland Museum and new events.
14. An increase in grant and subsidies primarily due to grant payments in relation to exhibitions at the Gallery of Modern Art, the Queensland Museum and new events.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

15. An increase in grants and other contributions primarily due to additional funding provided to attract and support a range of major events.
16. An increase in grant and subsidies primarily due to grant payments to support a range of major events.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

17. An increase in grants and other contributions primarily due to additional funding provided to attract and support a range of major events.
18. An increase in grant and subsidies primarily due to grant payments to support a range of major events.

Library Board of Queensland

OVERVIEW

The State Library of Queensland (SLQ) is an innovative 21st century library, embracing emerging technologies and collaborative approaches to empower people to discover, use, share and transform collections and the world of online information. SLQ partners with local governments to provide library services with over 340 public libraries and Indigenous Knowledge Centres across Queensland. SLQ has a strong focus on ensuring library services to all parts of Queensland.

By creatively engaging Queenslanders with information, knowledge and community, SLQ broadly contributes to the realisation of the Government's plan *Toward Q2: Tomorrow's Queensland*. In particular, activities dedicated to developing literacy and supporting life-long learning contribute to the ambitions Smart – *Delivering world class education and training* and Strong – *Creating a diverse economy powered by bright ideas*.

REVIEW OF PERFORMANCE

Recent achievements

During 2010-11 the State Library of Queensland:

- distributed $20.92 million for public library collections and services
- hosted almost 50,000 onsite visitors and delivered 400 programs in *The Edge* digital culture centre enabling young people to explore creativity in art, science and technology
- provided assistance to flood and cyclone affected public libraries and Indigenous Knowledge Centres and collected records and stories from the 2011 flood event and Cyclone Yasi, preserving memories of these events for future generations
- launched the *black&write!* Indigenous editing and writing project, providing Indigenous writing fellowships and Indigenous editing mentorships
- launched the Asia Pacific Design Library, in line with the *Queensland Design Strategy 2020*, enabling clients to explore design knowledge resources and engage in design dialogue through specialised collections, programs and displays
- enhanced visitor experience through the commencement of a new service delivery model with increased focus on Queensland collections and digital futures.

Future developments

The State Library of Queensland will:

- capture *Queensland Memory* for current and future generations and document reflections on the flood and cyclone disasters
- invest $21.38 million in public library collections and services
- establish two new Indigenous Knowledge Centres in remote Indigenous communities, bringing library services and programs to these communities for the first time
- contribute to the Cultural Centre collaborative project *The Torres Strait Islands: a celebration*, including *Strait Home*, an exhibition of archival material
- launch an authoritative online resource for design teaching, in partnership with Education Queensland's *The Learning Place*.

STATEMENTS

STAFFING[1]

Service areas	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
Administrative/Professional	2	270	266	265
Volunteers	3	160	140	140

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. Variance between 2010-11 Target and Estimated actual is due to a reduction in casual staff.
3. Number of volunteers regularly assisting. Variance between 2010-11 Target and Estimated actual is due to a reduction in large scale public programs requiring volunteer support.

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service standards				
Satisfaction with services and programs		95%	98%	95%
Other measures				
Total borrowing from public libraries		40,500,000	41,489,000	40,500,000
Visits to the State Library:				
Onsite	1	1,350,000	1,216,000	1,350,000
Online	2	New measure	..	2,040,000
Usage of the State collection and subscription databases		1,500,000	1,580,000	1,652,000
Usage of the Queensland public libraries lending collection	3	225,000	229,000	215,000
Growth of the State collection	4	42,000	38,000	42,000
Participants in public programs	1	330,000	286,000	330,000
Percentage of grants to regional Queensland		61%	61%	61%
Percentage of Indigenous communities with a library service	5	72%	66%	72%
State contribution ($000)		**52,394**	**52,394**	**53,726**
Other revenue ($000)		**3,757**	**4,175**	**4,050**
Total cost ($000)		**55,224**	**56,569**	**57,776**

Notes:
1. Variances between 2010-11 Target/estimate and Estimated actual are due to the disruptions caused by the 2011 Brisbane flood event, including the closure of the SLQ and *The Edge* buildings and associated car parks.
2. This new Service standard indicates unique visits to the website.
3. Reduction in 2011-12 Target/estimate is due to the progressive transfer of this collection to local government-owned public libraries.
4. Variances between 2010-11 Target/estimate and Estimated actual are due to disruptions to acquisitions, and the digitisation program, caused by the 2011 Brisbane flood event.
5. Establishment of Indigenous Knowledge Centres at Doomadgee and Murray Island planned for 2010-11 is on hold while administrative arrangements are being determined with the Councils.

INCOME STATEMENT

Library Board of Queensland	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue		..	..	..
User charges		1,642	1,651	1,701
Grants and other contributions	2,5	53,628	53,869	55,044
Other revenue		881	1,044	1,031
Gains on sale/revaluation of property, plant and equipment and investments		..	5	..
Total income		**56,151**	**56,569**	**57,776**
Expenses				
Employee expenses	1,3	23,528	24,308	24,795
Supplies and services	4	13,204	13,664	14,242
Grants and subsidies		17,546	17,683	17,832
Depreciation and amortisation		762	736	717
Finance/borrowing costs		..	..	..
Other expenses		154	148	160
Losses on sale/revaluation of property, plant and equipment and investments		30	30	30
Total expenses		**55,224**	**56,569**	**57,776**
OPERATING SURPLUS/(DEFICIT)		**927**	**..**	**..**

STATEMENT OF CHANGES IN EQUITY

Library Board of Queensland	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	60	..
Increase/(decrease) in asset revaluation surplus		2,227	1,006	2,379
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity	6,7	**2,227**	**1,066**	**2,379**
Surplus/(deficit) for the period		927	..	..
Total recognised income and expense for the period		**3,154**	**1,066**	**2,379**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**3,154**	**1,066**	**2,379**

BALANCE SHEET

Library Board of Queensland	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	8,13	8,637	10,956	9,955
Receivables		1,452	1,156	1,156
Other financial assets		..	..	..
Inventories		140	141	141
Other		650	506	506
Non-financial assets held for sale		..	..	..
Total current assets		**10,879**	**12,759**	**11,758**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	9,14	93,323	90,627	94,142
Intangibles		439	497	362
Other		..	..	..
Total non-current assets		**93,762**	**91,124**	**94,504**
TOTAL ASSETS		**104,641**	**103,883**	**106,262**
CURRENT LIABILITIES				
Payables		1,176	1,154	1,154
Accrued employee benefits		1,204	1,602	1,602
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		250	49	49
Total current liabilities		**2,630**	**2,805**	**2,805**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		507	336	336
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**507**	**336**	**336**
TOTAL LIABILITIES		**3,137**	**3,141**	**3,141**
NET ASSETS/(LIABILITIES)		**101,504**	**100,742**	**103,121**
EQUITY				
Capital/contributed equity		1,465	1,465	1,465
Accumulated surplus/(accumulated deficit)	10,12	53,016	54,575	54,575
Reserves:				
- Asset revaluation surplus	11,15	47,023	44,702	47,081
- Other		..	..	..
TOTAL EQUITY		**101,504**	**100,742**	**103,121**

CASH FLOW STATEMENT

Library Board of Queensland	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts		..	..	..
User charges		2,065	2,074	2,124
Grants and other contributions	17,19	53,628	53,869	55,044
Other		1,622	1,277	1,347
Outflows:				
Employee costs	16,18	(23,528)	(24,308)	(24,795)
Supplies and services		(13,385)	(13,626)	(14,242)
Grants and subsidies		(17,546)	(17,683)	(17,832)
Borrowing costs		..	..	..
Other		(1,318)	(772)	(899)
Net cash provided by/(used in) operating activities		**1,538**	**831**	**747**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	5	(30)
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		(1,357)	(1,291)	(1,718)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(1,357)**	**(1,286)**	**(1,748)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**181**	**(455)**	**(1,001)**
Cash at the beginning of financial year		**8,456**	**11,411**	**10,956**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**8,637**	**10,956**	**9,955**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
1. An increase in employee expenses due to additional temporary project staff engaged from increased own source revenue.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
2. An increase in grants and other contributions due to funding for Enterprise Bargaining arrangements, population growth funding for public library grants and Commonwealth-funded grants to support Indigenous projects.
3. An increase in employee expenses due to Enterprise Bargaining arrangements.
4. An increase in supplies and services principally due to costs associated with Indigenous projects.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
5. An increase in grants and other contributions due to increases in funding for Enterprise Bargaining arrangements and population growth funding for public library grants.

Statement of Changes in Equity

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
6. A decrease in the asset revaluation surplus due to the lower than expected fair value estimate of the reference collection based on a lower average cost in 2010-11.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
7. An increase in the asset revaluation surplus due to an anticipated fair value and index increases in relation to the general reference and heritage collection valuations.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
8. An increase in cash assets reflecting a higher than anticipated 2009-10 cash surplus.
9. A decrease in property, plant and equipment principally due to a lower than anticipated asset revaluation of the general collection.
10. An increase in the opening balance of the accumulated surplus due to the higher than expected surplus in 2009-10.
11. A decrease in the asset revaluation surplus due to the lower than expected fair value estimate of the reference collection based on a lower average cost in 2010-11.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
12. An increase in the opening balance of the accumulated surplus due to higher than expected surplus in 2009-10 with no further surplus predicted in 2011-12.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
13. A decrease in cash assets due to the increased capital expenditure planned in 2011-12.
14. An increase in property, plant and equipment due to anticipated purchases in 2011-12 and an anticipated increase in the general reference and heritage collection valuations.
15. An increase in the asset revaluation surplus due to an anticipated fair value and index increases in relation to the general reference and heritage collection valuations.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
16. An increase in employee costs due to additional temporary project staffing engaged from increased own source revenue.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
17. An increase in grants and other contributions due to funding for Enterprise Bargaining arrangements, population growth funding for public library grants and Commonwealth-funded grants to support Indigenous projects.
18. An increase in employee expenses due to Enterprise Bargaining arrangements.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
19. An increase in grants and other contributions due to increases in funding for Enterprise Bargaining arrangements and population growth funding for public library grants.

Queensland Art Gallery

OVERVIEW

The Queensland Art Gallery (QAG) is a two-site institution incorporating the Gallery of Modern Art (GoMA). It is Queensland's premier visual arts institution and a leading art museum nationally. QAG's driving philosophy is to connect art and people, and in doing so, it makes a significant contribution to the Government's broader ambitions for Queensland as articulated in *Toward Q2: Tomorrow's Queensland*. In particular, QAG's activities relate to the ambition Strong – *Creating a diverse economy powered by bright ideas* and Smart – *Delivering world-class education and training*.

REVIEW OF PERFORMANCE

Recent achievements

During 2010-11 the Queensland Art Gallery:

- presented the *Valentino, Retrospective: Past/Present/Future* exhibition (7 August – 14 November 2010), which was attended by more than 201,000 people. Over 18,000 people attended the exhibition's associated public programs and *Up Late* events
- presented the *21st Century: Art in the First Decade* exhibition (18 December 2010 – 26 April 2011). The exhibition achieved attendances of over 450,000, including over 124,000 children, and included the *21st Century Kids Summer Festival on Tour* program, which toured to 50 regional and remote Queensland venues
- launched the *Surrealism: The Poetry of Dreams* exhibition (11 June – 2 October 2011), which was developed in collaboration with the Musée national d'art moderne, Centre Pompidou, Paris. The Gallery is the exhibition's exclusive Australian venue
- developed and presented exhibitions of Australian artists including: *Vida Lahey: Colour and Modernism; Joe Rootsey: Queensland Aboriginal Painter 1918-63*; *Scott Redford: Introducing Reinhardt Dammn*; *Lloyd Rees: Life and Light*; and *Art, Love and Life: Ethel Carrick and E Phillips Fox*
- concluded touring *Namatjira to Now* and commenced touring *Contemporary Miniatures* to regional Queensland venues
- acquired 525 works of art for the Collection, including 127 works by Queensland artists.

Future developments

The Queensland Art Gallery will:

- present *Land, Sea and Sky: Contemporary Art of the Torres Strait Islands* (1 July – 9 October 2011). This will be a major exhibition as part of the Cultural Centre project *The Torres Strait Islands: a celebration,* including a publication, curated film and children's programs
- develop and present *Contemporary Australia*, the second in the Gallery's new triennial series exploring contemporary Australian art
- secure major exhibitions to celebrate the Gallery of Modern Art's fifth anniversary and the Queensland Art Gallery's thirtieth anniversary with an additional $2.75 million in 2011-12.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
	2	242	252	260

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. FTEs vary significantly across years depending on QAG's exhibition program.

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service standards				
Audience satisfaction with exhibitions and programs		90%	97%	90%
Other measures				
Number of exhibitions presented	1	28	34	28
Total attendance at Queensland Art Gallery and Gallery of Modern Art	2	1,100,000	1,400,000	1,150,000
Number of website user sessions		1,600,000	1,950,000	1,600,000
Number of regional locations, receiving exhibitions, programs, education, interpretive and information services	3	35	53	35
State contribution ($000)		**31,310**	**31,310**	**33,564**
Other revenue ($000)		**10,043**	**13,270**	**13,480**
Total cost ($000)		**38,464**	**40,942**	**43,612**

Notes:
1. The definition of this Service standard includes all exhibitions presented, regardless of type or location. The increase in the number of exhibitions presented in 2010-11 reflects additional exhibition opportunities. The 2010-11 Estimated actual also includes two regional Queensland touring exhibitions, two national touring exhibitions, and one international touring exhibition.
2. The 2010-11 Estimated actual reflects strong attendances during the *Valentino, Retrospective: Past/Present/Future* and *21st Century: Art in the First Decade* exhibitions.
3. This Service standard refers to the number of individual locations serviced in regional Queensland. The 2010-11 Estimated actual reflects a stronger than anticipated uptake of QAG's *21st Century Kids Festival on Tour* program.

INCOME STATEMENT

Queensland Art Gallery	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue		..	..	..
User charges	1,6	5,517	7,250	7,260
Grants and other contributions	2,7,11	34,016	35,510	37,964
Other revenue		820	820	820
Gains on sale/revaluation of property, plant and equipment and investments		1,000	1,000	1,000
Total income		**41,353**	**44,580**	**47,044**
Expenses				
Employee expenses	3,8,12	20,016	21,016	22,607
Supplies and services	4,9,13	17,808	18,908	19,985
Grants and subsidies		..	..	..
Depreciation and amortisation	5,10	500	850	850
Finance/borrowing costs		..	..	..
Other expenses		140	168	170
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**38,464**	**40,942**	**43,612**
OPERATING SURPLUS/(DEFICIT)		**2,889**	**3,638**	**3,432**

STATEMENT OF CHANGES IN EQUITY

Queensland Art Gallery	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation surplus		5,000	5,000	5,000
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**5,000**	**5,000**	**5,000**
Surplus/(deficit) for the period		2,889	3,638	3,432
Total recognised income and expense for the period		**7,889**	**8,638**	**8,432**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**7,889**	**8,638**	**8,432**

BALANCE SHEET

Queensland Art Gallery	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	14,22,30	2,769	3,528	3,882
Receivables		1,116	916	916
Other financial assets	15,23,31	3,000	7,053	6,053
Inventories		851	803	803
Other	16,24	444	156	156
Non-financial assets held for sale		..	53	53
Total current assets		**8,180**	**12,509**	**11,863**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets	17,25,32	14,392	13,315	14,315
Property, plant and equipment	18,26,33	290,508	294,524	302,774
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**304,900**	**307,839**	**317,089**
TOTAL ASSETS		**313,080**	**320,348**	**328,952**
CURRENT LIABILITIES				
Payables	19,27	766	2,255	2,427
Accrued employee benefits		1,167	1,138	1,138
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	10	10
Total current liabilities		**1,933**	**3,403**	**3,575**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		1,090	785	785
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**1,090**	**785**	**785**
TOTAL LIABILITIES		**3,023**	**4,188**	**4,360**
NET ASSETS/(LIABILITIES)		**310,057**	**316,160**	**324,592**
EQUITY				
Capital/contributed equity		721	721	721
Accumulated surplus/(accumulated deficit)	20,28,34	153,180	160,040	163,472
Reserves:				
- Asset revaluation surplus	21,29,35	156,156	155,399	160,399
- Other		..	..	..
TOTAL EQUITY		**310,057**	**316,160**	**324,592**

CASH FLOW STATEMENT

Queensland Art Gallery	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts		..	..	..
User charges	36,40	5,517	7,250	7,260
Grants and other contributions	37,41,44	33,016	33,710	36,164
Other		850	850	850
Outflows:				
Employee costs	38,42,45	(20,016)	(21,016)	(22,607)
Supplies and services	39,43,46	(17,838)	(18,938)	(19,843)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(140)	(168)	(170)
Net cash provided by/(used in) operating activities		**1,389**	**1,688**	**1,654**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		1,000	1,000	1,000
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		(2,300)	(2,300)	(2,300)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(1,300)**	**(1,300)**	**(1,300)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**89**	**388**	**354**
Cash at the beginning of financial year		**2,680**	**3,140**	**3,528**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**2,769**	**3,528**	**3,882**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
1. An increase in user charges due to greater than expected exhibition attendances and shop sales.
2. An increase in grants and other contributions due to greater than expected exhibition sponsorship and artwork donations.
3. An increase in employee expenses due to expansion of QAG's exhibition program.
4. An increase in supplies and services as a result of greater than expected exhibition attendances.
5. An increase in depreciation due to revised method of calculation on plant and equipment.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
6. An increase in user charges due to an expanded exhibition program.
7. An increase in grants and other contributions due to additional State Government funding for major exhibitions, and an increase in sponsorship and artwork donations.
8. An increase in employee expenses due to Enterprise Bargaining arrangements and the expanded exhibition program.
9. An increase in supplies and services due to the expanded exhibition program.
10. An increase in depreciation due to revised method of calculation on plant and equipment.

Major variations between 2010-11 Estimated actual and 2011-12 Estimate include:
11. An increase in grants and other contributions primarily due to additional State Government funding for major exhibitions.
12. An increase in employee expenses due to Enterprise Bargaining arrangements and the expanded exhibition program.
13. An increase in supplies and services due to the expanded exhibition program.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
14. An increase in cash assets mainly due to fluctuations in accrued expenditure between years.
15. An increase in other financial assets primarily due to greater than expected term deposits at the end of 2009-10.
16. A decrease in other current assets due to fluctuations in salary prepayments between years.
17. A decrease in other financial assets due to lower than expected managed fund investment balances at the end of 2009-10.
18. An increase in property, plant and equipment due to a greater than expected balance of artwork at the end of 2009-10, and an increase in donations of artwork in 2010-11.
19. An increase in current payables due to fluctuations in accrued expenditure between years.
20. An increase in accumulated surplus due to greater than expected opening balances, and a small increase in operating surplus in 2010-11.
21. A decrease in asset revaluation surplus due to a lower than expected revaluation increase in 2009-10.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
22. An increase in cash assets mainly due to fluctuations in accrued expenditure between years.
23. An increase in other financial assets primarily due to greater than expected term deposits at the end of 2009-10.
24. A decrease in other current assets due to fluctuations in salary prepayments between years.
25. A decrease in other financial assets reflecting movements in the valuation of managed fund investments between years.
26. An increase in property, plant and equipment due to artwork purchases, donations and revaluations.
27. An increase in current payables due to fluctuations in accrued expenditure between years.
28. An increase in accumulated surplus due to greater than expected opening balances, and the anticipated operating surpluses in 2010-11 and 2011-12.
29. An increase in asset revaluation surplus due to anticipated increase on revaluation of artworks in 2011-12.

Major variations between 2010-11 Estimated actual and 2011-12 Estimate include:
30. An increase in cash assets mainly due to fluctuations in accrued expenditure between years.
31. A decrease in other financial assets primarily due to movements in term deposits between years.
32. An increase in other financial assets reflecting expected growth in managed fund investments.
33. An increase in property, plant and equipment due to artwork purchases, donations and revaluations.
34. An increase in accumulated surplus due to anticipated operating surplus in 2011-12.
35. An increase in asset revaluation surplus due to anticipated increase on revaluation of artworks in 2011-12.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
36. An increase in user charges due to greater than expected exhibition attendances and shop sales.
37. An increase in grants and other contributions due to greater than expected exhibition sponsorship.
38. An increase in employee costs due to expansion of QAG's exhibition program.
39. An increase in supplies and services as a result of greater than expected exhibition attendances.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
40. An increase in user charges due to an expanded exhibition program.
41. An increase in grants and other contributions due to additional state government funding for major exhibitions and an increase in sponsorship.
42. An increase in employee costs due to Enterprise Bargaining arrangements and the expanded exhibition program.
43. An increase in supplies and services due to the expanded exhibition program, and CPI increases.

Major variations between 2010-11 Estimated actual and 2011-12 Estimate include:
44. An increase in grants and other contributions primarily due to additional State Government funding for major exhibitions.
45. An increase in employee costs due to Enterprise Bargaining arrangements and the expanded exhibition program.
46. An increase in supplies and services due to the expanded exhibition program.

Queensland Museum

OVERVIEW

The mission of the Queensland Museum is to inspire generations of Queenslanders to discover, celebrate and value our distinctive natural and cultural environment. The Queensland Museum contributes to *Toward Q2: Tomorrow's Queensland* through world-class research; the preservation and interpretation of our unique heritage; maintaining diverse cultural heritage and biodiversity collections; an extensive volunteering program; and encouraging community engagement and access through public programs and skills training. With a State-wide network of public museums and services, the Queensland Museum focuses on accessible collections, the generation of new research and spirited community partnerships to inform the visitor experience.

REVIEW OF PERFORMANCE

Recent achievements

During 2010-11 the Queensland Museum:

- developed and delivered museum experiences including exhibitions and public programs to more than 820,000 people and online experiences to 525,000 people
- opened the redeveloped Cobb+Co Museum in Toowoomba in September 2010, offering an international heritage trade training complex, new exhibition galleries, flexible learning spaces, commercial and retail areas and outdoor activity spaces
- progressed fundraising initiatives to support new exhibitions, public programs and infrastructure development including an individual giving campaign
- improved access to collections for exhibitions, research and loans through upgraded storage facilities at Hendra and South Bank
- secured $1.19 million in grant funding for research projects that contributed to medical breakthroughs in bio-pharmaceuticals; world first discoveries in palaeontology and zoology; and informed museum experiences and publications.

Future developments

The Queensland Museum will:

- invest $5.5 million over two years towards exhibition renewal, enlivening of Queensland Museum South Bank, and improvement of commercial performance across all Queensland Museum campuses, in preparation for the Queensland Museum's 150th anniversary celebrations in 2012
- build partnerships with Aboriginal and Torres Strait Islander communities through participation in the Cultural Centre project *The Torres Strait Islands: a celebration*, collaborative research and a program of repatriation
- work with building owner Arts Queensland to improve the visitor experience at Queensland Museum South Bank through a $12.5 million building enhancement project
- redevelop the Sciencentres at Queensland Museum South Bank in Brisbane and Cobb+Co Museum in Toowoomba to help make scientific research more accessible to the public
- invest an additional $0.5 million in recurrent funding to support the operations of Cobb+Co Museum.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
Full time equivalents		232	222	232
Volunteers		350	342	350

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

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service standards				
Satisfaction of audiences with collection-based displays and activities in public galleries		95%	96%	96%
Other measures				
Number of physical items added to the State Collection	1	15,800	15,000	10,000
Number of digital images added to the Collection		6,500	7,000	8,000
Total physical campus visits	2	791,100	821,000	808,000
School children visiting campuses	3	76,200	62,000	65,000
Online visits	4	600,000	525,000	560,000
New displays (sq metres of exhibitions)	5	3,782	5,701	6,410
Lectures, public talks, workshops and outreach programs delivered	6	9,452	8,000	9,500
Number of research papers published		80	80	80
Number of Queensland Museum collection objects accessed for research, education, exhibition and cultural purposes	7	96,625	70,000	85,000
Participants in lectures, public talks, workshops and outreach programs		237,060	216,000	237,060
Number of popular research publications sold and distributed		13,000	13,000	13,500
Percentage of the collection that is stored to a national benchmark standard		95.5%	96%	96%

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Percentage of Local Government Authorities receiving Queensland Museum services		100%	100%	100%
State contribution ($000)		**20,279**	**20,679**	**21,219**
Other revenue ($000)		**7,721**	**9,789**	**14,498**
Total cost ($000)		**28,000**	**32,240**	**32,769**

Notes:
1. The variation between the 2010-11 Target/estimate and 2011-12 Target/estimate reflects a reduced field specimen acquisition program to allow increased focus on exhibitions and public programs.
2. The increase in the 2010-11 Estimated actual is attributable to a greater audience-focused approach in programming. The 2011-12 Target/estimate reflects both an anticipated reduction in onsite visits in late 2011 due to short-term capital works at the Queensland Museum South Bank, and an anticipated increase in onsite visits in mid-2012 due to a planned international exhibition.
3. The decrease in the 2010-11 Estimated actual reflects the impact of the 2011 Brisbane flood event which affected schools and resulted in the temporary closure of the Queensland Museum South Bank. The decrease in the 2011-12 Target/estimate reflects the anticipated reduction in onsite visits in late 2011, due to short-term capital works at the Queensland Museum South Bank.
4. The decrease in the 2010-11 Estimated actual is due to a redeveloped website navigation which provides a more streamlined process for accessing information. This has resulted in more targeted use of the site by visitors.
5. The increase in the 2010-11 Estimated actual reflects new displays at the redeveloped Cobb+Co Museum which opened to the public in September 2010 and *The Torres Strait Islands: a celebration* to open in June 2011. The 2011-12 Target/estimate includes the planned new exhibitions for Queensland Museum South Bank and the planned international exhibition.
6. The decrease in the 2010-11 Estimated actual reflects the impact of the 2011 Brisbane flood event which resulted in the temporary closure of the Queensland Museum South Bank.
7. The decrease in the 2010-11 Estimated actual reflects the impact of floods which affected 22 loans transfer depots throughout Queensland.

INCOME STATEMENT

Queensland Museum	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue		..	..	..
User charges	4,8	4,795	4,810	6,088
Grants and other contributions	1,5,9	22,324	24,747	28,918
Other revenue		861	858	691
Gains on sale/revaluation of property, plant and equipment and investments		20	53	20
Total income		**28,000**	**30,468**	**35,717**
Expenses				
Employee expenses		17,639	18,020	18,481
Supplies and services	2,6	6,710	10,763	10,695
Grants and subsidies		14	14	14
Depreciation and amortisation		3,366	3,169	3,317
Finance/borrowing costs		..	..	..
Other expenses		271	264	262
Losses on sale/revaluation of property, plant and equipment and investments		..	10	..
Total expenses		**28,000**	**32,240**	**32,769**
OPERATING SURPLUS/(DEFICIT)	3,7	**..**	**(1,772)**	**2,948**

STATEMENT OF CHANGES IN EQUITY

Queensland Museum	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation surplus		6,222	8,390	4,193
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**6,222**	**8,390**	**4,193**
Surplus/(deficit) for the period		..	(1,772)	2,948
Total recognised income and expense for the period		**6,222**	**6,618**	**7,141**
Equity injection/(withdrawal)		(926)	(926)	(926)
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**5,296**	**5,692**	**6,215**

BALANCE SHEET

Queensland Museum	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	10,13,16	9,819	7,964	8,740
Receivables		521	836	889
Other financial assets		..	..	..
Inventories		567	565	565
Other		250	407	157
Non-financial assets held for sale		..	..	..
Total current assets		**11,157**	**9,772**	**10,351**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	11,14,17	468,713	471,084	476,895
Intangibles		976	959	794
Other		..	..	..
Total non-current assets		**469,689**	**472,043**	**477,689**
TOTAL ASSETS		**480,846**	**481,815**	**488,040**
CURRENT LIABILITIES				
Payables		561	578	578
Accrued employee benefits		1,381	1,211	1,211
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**1,942**	**1,789**	**1,789**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		326	300	310
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**326**	**300**	**310**
TOTAL LIABILITIES		**2,268**	**2,089**	**2,099**
NET ASSETS/(LIABILITIES)		**478,578**	**479,726**	**485,941**
EQUITY				
Capital/contributed equity		(3,233)	(3,233)	(4,159)
Accumulated surplus/(accumulated deficit)		142,616	141,007	143,955
Reserves:				
- Asset revaluation surplus	12,15,18	339,195	341,952	346,145
- Other		..	..	..
TOTAL EQUITY		**478,578**	**479,726**	**485,941**

CASH FLOW STATEMENT

Queensland Museum	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts		..	..	..
User charges	23,28	4,795	4,923	6,088
Grants and other contributions	19,24,29	22,324	24,715	28,918
Other	20,25	861	2,159	2,004
Outflows:				
Employee costs		(17,624)	(18,251)	(18,221)
Supplies and services	21,26	(6,707)	(10,427)	(10,695)
Grants and subsidies		(14)	(14)	(14)
Borrowing costs		..	..	..
Other	22,27	(271)	(2,109)	(1,628)
Net cash provided by/(used in) operating activities		**3,364**	**996**	**6,452**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		20	43	20
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		(4,438)	(4,732)	(4,770)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(4,418)**	**(4,689)**	**(4,750)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		(926)	(926)	(926)
Net cash provided by/(used in) financing activities		**(926)**	**(926)**	**(926)**
Net increase/(decrease) in cash held		**(1,980)**	**(4,619)**	**776**
Cash at the beginning of financial year		**11,799**	**12,583**	**7,964**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**9,819**	**7,964**	**8,740**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
1. An increase in grants and other contributions due to additional funding for Cobb+Co Museum Toowoomba, Queensland Museum South Bank lighting upgrade, new equipment and research and collection activity.
2. An increase in supplies and services due to building maintenance works at the Hendra Annexe, increased operating costs at Cobb+Co Museum Toowoomba and exhibition development and planning at Queensland Museum South Bank.
3. An operating deficit due to the operating costs associated with building maintenance work at the Hendra Annexe being met from cash reserves and not from grants and other contributions revenue.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
4. An increase in user charges due to increased public programming and exhibition activity at Queensland Museum South Bank.
5. An increase in grants and other contributions due to additional funding for the rejuvenation of Queensland Museum South Bank through new exhibitions and public programming.
6. An increase in supplies and services costs due to exhibition development and planning at Queensland Museum South Bank as well as increased operating costs at Cobb+Co Museum Toowoomba.
7. An operating surplus due to costs associated with the purchase of Queensland Museum South Bank exhibition assets being recorded on the Balance Sheet and not as an operating expenditure item.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
8. An increase in user charges due to increased public programming and exhibition activity at Queensland Museum South Bank.
9. An increase in grants and other contributions due to additional funding for the rejuvenation of Queensland Museum South Bank through new exhibitions and public programming.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
10. A decrease in cash assets due to maintenance and capital works at the Hendra Annexe.
11. An increase in property, plant and equipment due to acquisitions and revaluations to the State Collection assets.
12. An increase in asset revaluation surplus due to upward revaluations to the State Collection assets.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
13. A decrease in cash assets due to significant investment in Queensland Museum South Bank exhibitions and public programming.
14. An increase in property, plant and equipment due mainly to acquisitions and revaluations to State Collection assets and new Queensland Museum South Bank exhibitions.
15. An increase in asset revaluation surplus due to upward revaluations to the State Collection assets.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
16. An increase in cash assets due to an increase in admissions income for Queensland Museum South Bank exhibition program and grant funding.
17. An increase in property, plant and equipment due to acquisitions, disposals and upward revaluations to the State Collection assets and new Queensland Museum South Bank exhibitions.
18. An increase in asset revaluation surplus due to upward revaluations to the State Collection assets.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
19. An increase in grants and other contributions due to additional funding for Cobb+Co Museum Toowoomba, Queensland Museum South Bank lighting upgrade, new equipment and research and collection activity.
20. An increase in other inflows primarily due to GST cash receipts related to increased supplies and services expenditure.
21. An increase in supplies and services due to building maintenance works at the Hendra Annexe, increased operating costs at Cobb+Co Museum Toowoomba and exhibition development and planning at Queensland Museum South Bank.
22. An increase in other outflows primarily due to GST cash payments related to increased supplies and services expenditure.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
23. An increase in user charges due to increased public programming and exhibition activity at Queensland Museum South Bank.
24. An increase in grants and other contributions due to additional funding for the rejuvenation of Queensland Museum South Bank through new exhibitions and public programming.
25. An increase in other inflows primarily due to GST cash receipts related to increased supplies and services expenditure.
26. An increase in supplies and services due to continued exhibition development and planning at Queensland Museum South Bank and increased operating costs at Cobb+Co Museum Toowoomba.
27. An increase in other outflows primarily due to GST cash payments related to increased supplies and services expenditure.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
28. An increase in user charges due to increased public programming and exhibition activity at Queensland Museum South Bank.
29. An increase in grants and other contributions due to additional funding for the rejuvenation of Queensland Museum South Bank through new exhibitions and public programming.

Queensland Performing Arts Trust

OVERVIEW

The Queensland Performing Arts Trust manages the Queensland Performing Arts Centre (QPAC). QPAC's vision is to be Queensland's entertainment destination and the leading presenter of performing arts in the Asia-Pacific region. QPAC contributes to the Government's *Toward Q2: Tomorrow's Queensland* ambitions of Strong – *Creating a diverse economy powered by bright ideas*; Smart – *Delivering world-class education and training*; and Fair – *Supporting safe and caring communities* by presenting high-quality performing arts events and encouraging participation in the arts and engagement in the creative process as a means of promoting learning, wellbeing, civic participation and social inclusion.

QPAC's strategic direction focuses on its dual functions as a performing arts centre of international standing and an entrepreneurial producer of high-quality performing arts product. QPAC acknowledges the challenges of growing and diversifying its activity within a volatile industry.

REVIEW OF PERFORMANCE

Recent achievements

During 2010-11 the Queensland Performing Arts Centre:

- co-presented, with Events Queensland Pty Ltd, an Australian exclusive season of the Ballet Nacional de Cuba, continuing QPAC's strategy for regular presentations of the world's leading ballet companies
- presented four major international musicals: *Fame*, *Mamma Mia, West Side Story* and *WICKED,* attracting a collective audience of 317,849 people
- presented more than 100 free performances featuring artists from around the world including the singer/songwriter showcase *FretFest 2010*; outdoor music and dance venue the Havana Club; and jazz-themed *Green Jam Sessions* profiling students from the Queensland Conservatorium Griffith University
- delivered the second year of the three-year *Yonder* project through KITE Arts Education Program @ QPAC with more than 140 children from schools and communities in the Wide Bay Burnett and Logan/Albert regions.

Future developments

The Queensland Performing Arts Centre will:

- present two performances of leading world orchestra the Vienna Philharmonic Orchestra under the German conductor and pianist Christoph Eschenbach as part of a three city Australian tour
- present a Brisbane season of new musical theatre work *Dr Zhivago* as part of a world premiere Australian tour
- co-produce and present projects as part of the Cultural Centre project *The Torres Strait Islands: a celebration* including the *2011 Mabo Oration* (with the Anti-Discrimination Commission Queensland), *Belong* (with Bangarra Dance Theatre), together with an outdoor live performance program.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
	2,3	280	300	305

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. Increase in Estimated actual due to higher than anticipated venue utilisation in the Lyric Theatre and sold occupancy in major seasons including *WICKED*.
3. Increase in 2011-12 Estimate due to 2012 presentation of *Out of the Box*.

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service standards				
Venue utilisation		75%	76%	75%
Lyric Theatre	1	70%	94%	70%
Concert Hall	2	70%	60%	70%
Playhouse	3	90%	70%	90%
Cremorne Theatre		75%	78%	75%
Level of audience satisfaction		90%	96%	90%
Level of hirer satisfaction		95%	95%	95%
Other measures				
Visitation		750,000	765,600	1,000,000
Attendance at paid events	4	600,000	715,600	800,000
Attendance at unpaid events	5	150,000	50,000	200,000
Presentations				
Number of performances		920	984	950
Number of seasons		220	208	230
Number of regional venues receiving QPAC programming		12	14	12
Number of programs hosted by regional venues	6	4	2	4
State contribution ($000)		**7,829**	**7,829**	**8,289**
Other revenue ($000)		**25,078**	**27,591**	**27,924**
Total cost ($000)		**32,907**	**35,420**	**36,213**

Notes:
1. The increase in 2010-11 Estimated actual is due to securing additional hires in the Lyric Theatre – *Fame*, *The Music of Andrew Lloyd Webber*, and *Riverdance*.
2. The decrease in 2010-11 Estimated actual is due to fewer than anticipated commercial hires.
3. The decrease in 2010-11 Estimated actual is due to three month venue closure as result of the 2011 Brisbane flood event.
4. The increase in 2010-11 Estimated actual is due to higher than anticipated venue utilisation of the Lyric Theatre and sold occupancy in major seasons including *WICKED*.
5. The decrease in 2010-11 Estimated actual is due to a reduced outdoor program of free events. The program was reduced to accommodate weather conditions.
6. The decrease in 2010-11 Estimated actual is due to reduced touring by QPAC Museum.

INCOME STATEMENT

Queensland Performing Arts Trust	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue		..	..	..
User charges	1,5	23,786	26,708	27,012
Grants and other contributions	6,9	7,829	7,829	8,289
Other revenue	2,7	1,292	883	912
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**32,907**	**35,420**	**36,213**
Expenses				
Employee expenses	3,8	16,420	19,813	20,059
Supplies and services	4,10	15,694	14,932	15,397
Grants and subsidies		..	..	..
Depreciation and amortisation		793	675	757
Finance/borrowing costs		..	..	..
Other expenses		..	..	..
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**32,907**	**35,420**	**36,213**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

STATEMENT OF CHANGES IN EQUITY

Queensland Performing Arts Trust	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation surplus		97	161	131
Net amount of all revenue and expense adjustments direct to equity not disclosed above		(97)	(364)	(131)
Net income recognised directly in equity		**..**	**(203)**	**..**
Surplus/(deficit) for the period		..	..	..
Total recognised income and expense for the period		**..**	**(203)**	**..**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**..**	**(203)**	**..**

BALANCE SHEET

Queensland Performing Arts Trust	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets		5,948	5,922	6,009
Receivables		5,532	5,558	5,558
Other financial assets		..	..	..
Inventories		199	199	199
Other		728	728	728
Non-financial assets held for sale		..	..	..
Total current assets		**12,407**	**12,407**	**12,494**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		7,821	7,821	7,894
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**7,821**	**7,821**	**7,894**
TOTAL ASSETS		**20,228**	**20,228**	**20,388**
CURRENT LIABILITIES				
Payables		3,141	3,141	3,321
Accrued employee benefits		845	845	845
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		726	726	706
Total current liabilities		**4,712**	**4,712**	**4,872**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**4,712**	**4,712**	**4,872**
NET ASSETS/(LIABILITIES)		**15,516**	**15,516**	**15,516**
EQUITY				
Capital/contributed equity		1,033	1,033	1,033
Accumulated surplus/(accumulated deficit)		3,672	3,672	3,541
Reserves:				
- Asset revaluation surplus		3,174	3,174	3,174
- Other		7,637	7,637	7,768
TOTAL EQUITY		**15,516**	**15,516**	**15,516**

CASH FLOW STATEMENT

Queensland Performing Arts Trust	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts		..	..	..
User charges	11,16	23,786	26,100	26,992
Grants and other contributions	17,20	7,829	7,829	8,289
Other	12,18	1,292	177	912
Outflows:				
Employee costs	13,19	(16,420)	(19,744)	(20,059)
Supplies and services	14,21	(15,537)	(13,632)	(15,152)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		..	(236)	(65)
Net cash provided by/(used in) operating activities		**950**	**494**	**917**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		(79)	(92)	(80)
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	15,22	(750)	(820)	(750)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(829)**	**(912)**	**(830)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**121**	**(418)**	**87**
Cash at the beginning of financial year		**5,827**	**6,340**	**5,922**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**5,948**	**5,922**	**6,009**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated Actual include:

1. An increase in user charges due to greater than anticipated ticket sales for Ballet Nacional de Cuba, a major Queensland Performing Arts Centre co-production, and four international musicals.
2. A decrease in other revenue due to lower than anticipated interest on cash assets held.
3. An increase in employee expenses due to major productions by Queensland Performing Arts Centre and flood recovery activities.
4. A decrease in supplies and services due to the effects of January 2011 floods.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

5. An increase in user charges due to a greater number of major commercial productions planned in 2011-12.
6. An increase in grants and other contributions due to the impact of an advance grant payment in June 2009 in relation to the 2010 *Out of the Box* festival.
7. A decrease in other revenue due to lower than anticipated interest on cash assets held.
8. An increase in employee expenses due to a greater number of major commercial productions.

Major variations between 2010-11 Estimated Actual and the 2011-12 Estimate include:

9. An increase in grants and other contributions due to the impact of an advance grant payment in June 2009 in relation to the 2010 *Out of the Box* festival.
10. An increase in supplies and services due to increased number of major commercial productions.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated Actual include:

11. An increase in user charges due to greater than anticipated ticket sales for Ballet Nacional de Cuba, a major Queensland Performing Arts Centre co-production, and four international musicals.
12. A decrease in other receipts due to lower than anticipated interest on cash assets held.
13. An increase in employee costs due to major productions by Queensland Performing Arts Centre and flood recovery activities.
14. A decrease in supplies and services due to the effects of January 2011 floods.
15. An increase in property, plant and equipment costs due to purchases made in 2010-11 to replace items lost in January 2011 floods.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

16. An increase in user charges due to a greater number of major commercial productions.
17. An increase in grants and other contributions due to the impact of an advance grant payment in June 2009 in relation to the 2010 *Out of the Box* festival.
18. A decrease in other revenue due to lower than anticipated interest on cash assets held.
19. An increase in employee costs due to a higher number of major commercial productions.

Major variations between 2010-11 Estimated Actual and the 2011-12 Estimate include:

20. An increase in grants and other contributions due to the impact of an advance grant payment in June 2009 in relation to the 2010 *Out of the Box* festival.
21. An increase in supplies and services due to a greater number of major commercial productions.
22. A decrease in property, plant and equipment costs due to purchases made in 2010-11 to replace items lost in January 2011 floods.

Queensland Reconstruction Authority

OVERVIEW

The Queensland Reconstruction Authority (the Authority) is responsible for the efficient and effective coordination of the reconstruction effort, in response to the 2010-11 floods, severe Tropical Cyclone Yasi and monsoonal rains.

The Authority operates under a legislative framework defined in the *Queensland Reconstruction Authority Act 2011*. The Act establishes the Authority to:

- coordinate and manage the rebuilding and recovery of affected communities, including the repair and rebuilding of community infrastructure and other property
- provide for the following to facilitate flood mitigation for affected communities, or the protection, rebuilding and recovery of affected communities:
  - the declaration of declared projects and reconstruction areas; and
  - the making of development schemes for declared projects and reconstruction areas.

The Authority is predominantly staffed by members of Queensland Government departments, who are engaged under an officer interchange arrangement pursuant to Section 184 of the *Public Service Act 2008.* Australian Defence Force staffing costs are being met by the Australian Defence Force.

REVIEW OF PERFORMANCE

Recent achievements

In 2010-11 the Queensland Reconstruction Authority:

- was established and commenced operations in February 2011
- produced the State Plan and Implementation Plans for the reconstruction effort - *Operation QUEENSLANDER*. The State Plan sets the framework for district and local planning for reconnecting and rebuilding Queensland, while the Implementation Plans detail the activities across the State, and the Local Plan and the community-based local responses
- commenced distribution of funding for the reconstruction of affected public assets, supported by a framework for ensuring value for money is achieved in the program. By 30 June 2011, the Authority will have provided approximately $465 million in grant funding to local Councils
- declared Grantham a Reconstruction Area, allowing streamlined planning approvals, which allows this community to rebuild.

Future developments

During 2011-12, the Authority will:

- continue to implement the State Plan across the State
- finalise Local Plans, to guide and prioritise the reconstruction effort
- provide funding to allow a large number of important reconstruction projects to commence
- monitor the progress of the reconstruction program to identify opportunities to improve project planning or implementation, to ensure value for money is achieved.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
	2,3	..	123	152

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. The 2010-11 Estimated Actual includes 15 members of the Australian Defence Force.
3. The 2011-12 Estimate includes 18 members of the Australian Defence Force.

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. Actual	2011-12 Target/est.
Completion of the Recovery phase (phase one) of the State Plan, *Operation QUEENSLANDER*		..	30 June 2011	..
Completion of the Reconstruction phase (phase two) of the State Plan, *Operation QUEENSLANDER*		..	..	31 December 2011
Compliance with legislated requirements to reporting the Authority's functions and performance	1,2	..	100%	100%
State contribution ($000)		**..**	**1,835,998**	**48,476**
Other revenue ($000)		**..**	**2,050,000**	**539,459**
Total cost ($000)		**..**	**1,122,527**	**2,839,809**

Notes:
1. Target is 100% compliance with agreed timeframes.
2. More information on the progress of the Authority is available online at www.qldreconstruction.org.au.

INCOME STATEMENT

Queensland Reconstruction Authority	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue		..	..	..
User charges		..	..	..
Grants and other contributions	1	..	3,885,998	587,935
Other revenue		..	..	..
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**..**	**3,885,998**	**587,935**
Expenses				
Employee expenses	2	..	5,583	13,705
Supplies and services	3	..	14,726	20,353
Grants and subsidies	4	..	1,101,887	2,804,992
Depreciation and amortisation	5	..	60	438
Finance/borrowing costs		..	..	..
Other expenses	6	..	271	321
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**..**	**1,122,527**	**2,839,809**
OPERATING SURPLUS/(DEFICIT)	7	**..**	**2,763,471**	**(2,251,874)**

STATEMENT OF CHANGES IN EQUITY

Queensland Reconstruction Authority	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation surplus		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period	8	..	2,763,471	(2,251,874)
Total recognised income and expense for the period		**..**	**2,763,471**	**(2,251,874)**
Equity injection/(withdrawal)	9	..	(60)	(438)
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**..**	**2,763,411**	**2,252,312**

BALANCE SHEET

Queensland Reconstruction Authority	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	10	..	2,764,031	511,652
Receivables		..	92	91
Other financial assets		..	..	..
Inventories		..	..	..
Other		..	..	..
Non-financial assets held for sale		..	..	..
Total current assets		**..**	**2,764,123**	**511,743**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	11	..	298	366
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**..**	**298**	**366**
TOTAL ASSETS		**..**	**2,764,421**	**512,109**
CURRENT LIABILITIES				
Payables		..	1,000	1,000
Accrued employee benefits		..	10	10
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**..**	**1,010**	**1,010**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**..**	**1,010**	**1,010**
NET ASSETS/(LIABILITIES)		**..**	**2,763,411**	**511,099**
EQUITY				
Capital/contributed equity		..	(60)	(498)
Accumulated surplus/(accumulated deficit)	12	..	2,763,471	511,597
Reserves:				
- Asset revaluation surplus		..	..	..
- Other		..	..	..
TOTAL EQUITY		**..**	**2,763,411**	**511,099**

CASH FLOW STATEMENT

Queensland Reconstruction Authority	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts		..	..	..
User charges		..	..	..
Grants and other contributions	13	..	3,885,998	587,935
Other	14	..	106,215	278,824
Outflows:				
Employee costs	15	..	(5,573)	(13,705)
Supplies and services	16	..	(120,033)	(299,176)
Grants and subsidies	17	..	(1,101,887)	(2,804,992)
Borrowing costs		..	..	..
Other	18	..	(271)	(321)
Net cash provided by/(used in) operating activities		**..**	**2,764,449**	**(2,251,435)**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	19	..	(358)	(506)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**..**	**(358)**	**(506)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	20	..	(60)	(438)
Net cash provided by/(used in) financing activities		**..**	**(60)**	**(438)**
Net increase/(decrease) in cash held		**..**	**2,764,031**	**(2,252,379)**
Cash at the beginning of financial year		**..**	**..**	**2,764,031**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**..**	**2,764,031**	**511,652**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

There are no amounts included for the 2010-11 Budget as the Queensland Reconstruction Authority was established under the *Queensland Reconstruction Authority Act 2011* and commenced operations in February 2011.

Income statement

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

1. A decrease in grants and other contributions due to grant funding being received in advance in 2010-11 from the Australian Government and the proceeds of the long term lease of the Abbot Point Coal Terminal. This funding has been recognised as income in 2010-11 as required by Australian Accounting Standards. The costs from the natural disasters in Queensland are expected to exceed $6.8 billion. Queensland's share of the cost is estimated at $1.8 billion once loans provided have been redeemed. The Australian Government is providing an advance in the order of $2.5 billion over two years with remaining funds to be provided in arrears under the usual Natural Disaster Relief and Recovery Arrangements (NDRRA).
2. An increase in employee expenses due to the full year operations of the Authority and the increased activity associated with planned reconstruction projects.
3. An increase in supplies and services due to the full year operations of the Authority and the increased activity associated with planned reconstruction projects.
4. An increase in grants and subsidies due to payments being made in respect to planned reconstruction projects.
5. An increase in depreciation and amortisation due to the purchase of assets to support the full year operations of the Authority.
6. An increase in other expenses due to the full year operations of the Authority and the increased activity associated with planned reconstruction projects.
7. A surplus for 2010-11 and a deficit for 2011-12 due to a timing issue in relation to the recognition of grant funding provided in 2010-11, as required by Australian Accounting Standards, while payments for reconstruction projects and operational expenditure occur over the life of the Authority.

Statement of Changes in Equity

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

8. A decrease in surplus/(deficit) for the period due to a timing issue in relation to the recognition of grant funding provided in 2010-11, as required by Australian Accounting Standards, while payments for reconstruction projects and operational expenditure occur over the life of the Authority.
9. An increase in equity withdrawal due to the depreciation of plant and equipment.

Balance sheet

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

10. A decrease in cash due to the payment of grants for reconstruction projects.
11. An increase in property, plant and equipment due to the purchase of assets to support the full year operations of the Authority.
12. A decrease in accumulated surplus/(accumulated deficit) due to a timing issue in relation to the recognition of grant funding provided in 2010-11, as required by Australian Accounting Standards, while payments for reconstruction projects and operational expenditure occur over the life of the Authority.

Cash flow statement

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

13. A decrease in grant and other contributions due to grant funding being received in advance in 2010-11 from the Australian Government and the proceeds of the long term lease of the Abbot Point Coal Terminal.
14. An increase in other operating inflows due to the receipt of GST credits on grant payments made for reconstruction projects.
15. An increase in employee costs due to a full year of operations and the increased activity associated with planned reconstruction projects.
16. An increase in supplies and services due to a full year of operations and the increased activity associated with planned reconstruction projects.
17. An increase in grants and subsidies due to payments being made in respect to planned reconstruction projects.
18. An increase in other operating outflows due to a full year of operations and the increased activity associated with planned reconstruction projects.
19. An increase in payments for property, plant and equipment due to the purchase of assets to support the full year operations of the Authority.
20. An increase in equity withdrawal due to the full year depreciation of plant and equipment.

South Bank Corporation

OVERVIEW

South Bank Corporation (the Corporation) owns and manages the 42 hectare South Bank precinct, which is located in the heart of Brisbane. The precinct comprises the South Bank Parklands, the Brisbane Convention and Exhibition Centre, Little Stanley Street and Grey Street.

The Corporation is committed to the Government's priorities and the Corporation's vision to create and manage a world-class precinct for the people of Queensland, which adds value to the State's economy and positions Brisbane as a desirable visitor destination.

The objectives of the Corporation are to:

- promote, facilitate, carry out and control the development, disposal and management of land and other property within the Corporation area
- achieve an appropriate balance between the Corporation's commercial and non-commercial functions
- ensure the Corporation area complements, rather than duplicates, other public use sites in the inner city Brisbane area
- provide for a diverse range of recreational, cultural and educational pursuits for local, regional and international visitors
- accommodate public events and entertainment that benefit the general community
- achieve excellence and innovation in the management of open space and park areas.

REVIEW OF PERFORMANCE

Recent achievements

During the 2010–11 period, several key construction projects have come to fruition and the precinct continued to host premier events and a variety of community activities. The Corporation:

- completed a major environmental sustainability initiative, Rain Bank – a stormwater harvesting and reuse centre. The Corporation expects to harvest approximately 77 million megalitres of water (the equivalent of 30 Olympic-sized swimming pools) each year to be used for irrigation and to top up landscape features. The initiative also includes an educational display about stormwater and the treatment plant process. The display uses state-of-the-art animation to communicate sustainability messages
- completed South Bank's newest riverfront dining precinct, River Bend. This exciting new development includes a grassed amphitheatre with direct access to the Brisbane River via a 'beach'. The opening of this new public space, part of the Corporation's commitment to creating more green space, makes a significant contribution to the revitalization of the southern end of the Parklands
- established an innovative and contemporary children's playground on Picnic Island Green located at the southern end of the Parklands. This playground will forge strong connections with the new Children's Hospital in Stanley Street by creating a place for patients, their families and Hospital staff to seek respite
- executed *"Flood Off"*, a highly successful marketing campaign to inform people that South Bank had reopened for business and to encourage visitors to return to the Parklands and South Bank retailers. More than 24,000 people enjoyed the free activities from 28 January to 20 February 2011

- secured high profile tenants including the Max Brenner chocolate shop; the South Bank Surf Club; DM Jazz Bar, Burrito Republic and the Olé Spanish Restaurant. This campaign has also seen the establishment of 'pop-up' stores Deka, Hamimi and Shop the Runway, which have activated empty tenancies and brought new products, clientele and ideas to the precinct
- increased visitation numbers to the Corporation's highly successful in-house produced event, Regional Flavours, by more than 50%, compared to 2010, with 13,000 attendees in 2011. The event showcased our precinct's own celebrity chef Ben O'Donoghue starring in cooking demonstrations.

Future Developments

In 2011-12 the Corporation will:

- continue working with the developers of the $570 million South Point development, a mixed-use commercial and residential complex that will create the largest transit oriented development in Brisbane. This will include an Emporium hotel – a much welcomed addition to the hotel market in Brisbane
- work with the Australian Broadcasting Corporation (ABC) as they build their headquarters on the corner of Russell and Grey Streets South Bank. The development will deliver a number of significant benefits to the precinct, in particular, the close proximity of over 350 ABC staff including more than 100 online, radio and news journalists on hand to report on the impressive work of our precinct partners. The construction is expected to be completed by 2012
- complete construction of the Brisbane Convention and Exhibition Centre expansion which will activate Grey Street and will link the Centre with South Bank Parklands. This will rejuvenate and enliven Grey Street with a mix of retail experiences and provide an additional 42% in event space with 18 additional meeting rooms and a large function room complete with extensive terraces offering Central Business District and river views
- host the 2011 Mercedes Benz Fashion Festival at South Bank. The highly successful 2010 Festival brought renowned designers and the fashion glitterati to the South Bank Cultural Forecourt and produced positive international press coverage.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
South Bank Corporation and Brisbane Convention and Exhibition Centre		459	450	490

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

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service standards				
Assess South Bank's visitor experience by:				
South Bank Visitors rating their experience as being as 3 or more (based on scale of 1-5 (lowest to highest)		98%	99%	98%
Number of repeat visits		75%	77%	80%
Other measures				
Number of Brisbane Convention and Exhibition Centre events per year		886	959	1,100
Lead sustainability practice in the dimensions of:				
• Potable water consumption	1	45% reduction on base year	50% reduction on base year	50% reduction on base year
• Electrical energy consumption	2	10% reduction on base year	27% reduction on base year	10% reduction on base year
Assess customer and stakeholder satisfaction by:				
• days of collaborative events and activities completed with partners		300 days	320 days	310 days
turnover percentage of tenancies		1%	4%	4%
State contribution ($'000)		**10,025**	**10,025**	**10,025**
Other revenue ($'000)		**68,465**	**75,549**	**81,571**
Total cost ($'000)		**78,345**	**83,237**	**84,854**

Notes:
1. Percentage reduction on the base year of 2005-06.
2. Achieved through new electrical technology.

INCOME STATEMENT

South Bank Corporation	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue		..	..	..
User charges	1,5,9	62,165	60,831	78,571
Grants and other contributions	2,6,10	13,325	18,743	10,025
Other revenue	3	1,000	4,000	1,000
Gains on sale/revaluation of property, plant and equipment and investments		2,000	2,000	2,000
Total income		**78,490**	**85,574**	**91,596**
Expenses				
Employee expenses		7,967	7,772	8,487
Supplies and services	4,7	53,628	58,475	58,527
Grants and subsidies		..	..	..
Depreciation and amortisation	8,11	15,000	15,240	16,240
Finance/borrowing costs		1,750	1,750	1,600
Other expenses		..	..	..
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**78,345**	**83,237**	**84,854**
OPERATING SURPLUS/(DEFICIT)		**145**	**2,337**	**6,742**

STATEMENT OF CHANGES IN EQUITY

South Bank Corporation	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation surplus		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		145	2,337	6,742
Total recognised income and expense for the period		**145**	**2,337**	**6,742**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**145**	**2,337**	**6,742**

BALANCE SHEET

South Bank Corporation	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	12,16,19	5,779	56,759	13,684
Receivables		2,749	2,925	2,925
Other financial assets		..	..	..
Inventories		326	323	323
Other		2,085	2,586	2,586
Non-financial assets held for sale		..	..	..
Total current assets		**10,939**	**62,593**	**19,518**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	13,17,20	660,792	637,693	667,835
Intangibles		..	..	..
Other		3,472	4,569	2,369
Total non-current assets		**664,264**	**642,262**	**670,204**
TOTAL ASSETS		**675,203**	**704,855**	**689,722**
CURRENT LIABILITIES				
Payables	14,21	7,505	15,686	9,981
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		3,177	3,205	3,205
Provisions		345	272	272
Other	18,22	17,064	17,310	5,310
Total current liabilities		**28,091**	**36,473**	**18,768**
NON-CURRENT LIABILITIES				
Payables		548	488	488
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives	15,23	28,667	25,524	21,354
Provisions		116	145	145
Other		..	..	..
Total non-current liabilities		**29,331**	**26,157**	**21,987**
TOTAL LIABILITIES		**57,422**	**62,630**	**40,755**
NET ASSETS/(LIABILITIES)		**617,781**	**642,225**	**648,967**
EQUITY				
Capital/contributed equity		291,624	291,624	291,624
Accumulated surplus/(accumulated deficit)		30,399	34,534	41,276
Reserves:				
- Asset revaluation surplus		295,758	316,067	316,067
- Other		..	..	..
TOTAL EQUITY		**617,781**	**642,225**	**648,967**

CASH FLOW STATEMENT

South Bank Corporation	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts		..	..	..
User charges	24,28	62,665	69,031	70,571
Grants and other contributions	25,29,32	13,325	18,743	10,025
Other	26,33	5,000	8,000	5,000
Outflows:				
Employee costs		(7,967)	(7,772)	(8,486)
Supplies and services		(57,628)	(60,775)	(60,327)
Grants and subsidies		..	..	..
Borrowing costs		(1,750)	(1,750)	(1,600)
Other	34	(3,909)	(3,909)	(9,706)
Net cash provided by/(used in) operating activities		**9,736**	**21,568**	**5,477**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	27,30,35	(102,293)	(79,144)	(44,382)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(102,293)**	**(79,144)**	**(5,477)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions	31,36	..	..	(4,170)
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**..**	**..**	**(4,170)**
Net increase/(decrease) in cash held		**(92,557)**	**(57,576)**	**(43,075)**
Cash at the beginning of financial year		**98,336**	**114,335**	**56,759**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**5,779**	**56,759**	**13,684**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated Actual include:
1. A decrease in user charges primarily due to lost revenue due to the 2011 Brisbane flood event.
2. An increase in grants and other contributions due to grant funding from the National Disaster Relief and Recovery Arrangements (NDRRA) to assist with flood recovery.
3. An increase in other revenue due to greater than anticipated interest earned on cash assets held throughout the year.
4. An increase in supplies and services primarily due to flood recovery costs.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
5. An increase in user charges primarily due to the sale of development land plus increased turnover with the opening of the Brisbane Convention and Exhibition Centre (BCEC) expansion.
6. A decrease in grants and other contributions with nil capital funding in the 2011-12 year.
7. An increase in supplies and services due to increased turnover.
8. An increase in depreciation and amortisation due to the anticipated completion of the Storm Water Harvesting and Reuse Centre in 2010-11.

Major variations between 2010-11 Estimated Actual and 2011-12 Estimate include:
9. An increase in user charges primarily due to the sale of development land plus increased turnover with the opening of the BCEC expansion.
10. A decrease in grants and other contributions with nil NDRRA funding and nil capital funding in the 2011-12 year.
11. An increase in depreciation and amortisation due to the completion of the Storm Water Harvesting and Reuse Centre in 2010-11.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated Actual include:
12. An increase in cash assets due to later than anticipated capital project construction payments.
13. A decrease in property, plant and equipment due to deferred work-in-progress related to BCEC expansion.
14. An increase in current payables due to accrued costs relating to capital works.
15. A decrease in interest-bearing liabilities and derivatives following loan principal repayments in the prior year.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
16. An increase in cash assets due to increased user charges income during the year.
17. An increase in property, plant and equipment due to completion of the BCEC expansion.
18. A decrease in other current liabilities with the recognition during the year of land sales previously recorded as unearned income.

Major variations between 2010-11 Estimated Actual and 2011-12 Estimate include:
19. A decrease in cash assets due to payments for completion of major capital works.
20. An increase in property, plant and equipment due to completion of the BCEC expansion.
21. A decrease in current payables due to reduced costs on completion of major capital works.
22. A decrease in other current liabilities with the recognition during the year of land sales previously recorded as unearned income.
23. A decrease in interest-bearing liabilities and derivatives following loan principal repayments.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated Actual include:
24. An increase in user charges primarily due to deposits received for future land sales.
25. An increase in grants and other contributions due to grant funding from the National Disaster Relief and Recovery Arrangements (NDRRA) to assist with flood recovery.
26. An increase in other operating inflows due to additional interest earned on greater than anticipated cash assets held throughout the year.
27. A decrease in outflows for property, plant and equipment and intangibles primarily due to lower than anticipated purchases associated with the Brisbane Convention and Exhibition Centre expansion.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
28. An increase in user charges primarily due to increased turnover with the opening of the BCEC expansion.
29. A decrease in grants and other contributions with nil capital funding required in the 2011-12 year.
30. A decrease in outflows for property, plant and equipment and intangibles following the completion of the BCEC expansion.
31. An increase in borrowing redemptions due to timing variations in the loan repayment schedule.

Major variations between 2010-11 Estimated Actual and 2011-12 Estimate include:
32. A decrease in grants and other contributions with the forecast grant for flood recovery costs in the 2010-11 year.
33. A decrease in other operating inflows due to lower interest earned on reduced cash assets held throughout the year.
34. An increase in other operating outflows due to completion of major capital works.
35. A decrease in outflows for property, plant and equipment and intangibles following the completion of the Brisbane Convention and Exhibition Centre expansion.
36. An increase in borrowing redemptions due to timing variations in the loan repayment schedule.

PART 2

Office of the Governor

Summary of departmental budget

Page	Agency	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
1-79	Office of the Governor	5,656	5,847	5,719

Note:
1. Explanations of variances are provided in the financial statements.

DEPARTMENTAL OVERVIEW

MINISTERIAL RESPONSIBILITY

The Premier and Minister for Reconstruction.

STRATEGIC ISSUES

The Governor is The Queen's representative in Queensland. The powers of the Governor derive from the Commission of Appointment issued by The Queen and are prescribed in legal or Constitutional terms in the following principal references: the *Australia (Requests and Consent) Act 1985*, the *Australia Act 1996*, and by the Queensland statutes, the *Constitution of Queensland 2001*, the *Parliament of Queensland Act 2001*, the *Constitution Act 1867*, the *Constitution Act Amendment Act 1890,* and the *Constitution Act Amendment Act 1934.*

The Office of the Governor provides personal, administrative and logistical support to the Governor and manages the Government House Estate. The strategic objectives of the Office of the Governor are to support the Governor in order to enable Her Excellency to exercise her statutory and constitutional; official and ceremonial; and civic and social duties of office. As a separate entity, the Office of the Governor enables the Governor to provide independent, non-political authority to the parliamentary process.

The Office of the Governor directly contributes to the key priorities of the Government through its focus on supporting the role of the Governor.

2011-12 HIGHLIGHTS

In 2011-12 the Office of the Governor will continue to support the official and public responsibilities of the Governor.

RECENT ACHIEVEMENTS

During 2010-11, the Office of the Governor:

- supported the Governor's attendance at meetings of the Executive Council
- conducted investitures for recipients of Australian honours and awards
- supported awards ceremonies for the Winston Churchill Memorial Trust; the Order of St John in Australia; the Royal Humane Society of Australasia; St John Ambulance Australia – Queensland; the Scout Association of Australia (Queensland Branch); Girl Guides Australia (Queensland); the Boys' Brigade Australia (Queensland); and Girls' Brigade Queensland Inc
- supported a program of engagements at Government House, in Brisbane and surrounding areas
- supported the Governor in her role as Patron of 188 organisations
- planned and supported regional travel by the Governor, providing support to rural and regional communities and where possible support to disaster affected communities in Queensland following the events of early 2011
- supported the Governor in issuing approximately 1,300 congratulatory letters and similar correspondence
- received and referred for the Governor's consideration approximately 85 petitions and protests

- hosted over 4,500 visitors on two open days as well as more than 145 school and community group visits to Government House
- implemented a project of works to update the Office of the Governor's outdated information systems.

DEPARTMENTAL SERVICES

The *Constitution of Queensland 2001* provides that there must be a Governor of Queensland who is appointed by the Sovereign. The Governor, Her Excellency Ms Penelope Wensley, AC is authorised and required to do and execute all matters that pertain to her office, according to law.

Queensland's constitution allows the Governor to appoint Ministers; to summon and dissolve Parliament; and establishes the Executive Council, over which the Governor presides. 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.

The personal, administrative and logistic support provided by the Office of the Governor enables the Governor to exercise her constitutional powers and responsibilities effectively and undertake official, ceremonial and civic duties. The Office of the Governor also maintains the Government House Estate.

By assisting the Governor to exercise her constitutional powers and responsibilities and undertake other representative duties, the Office of the Governor supports the Government's outcomes and priorities for Queensland.

STAFFING[1]

Service areas	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
Services				
Personal, administrative and logistical support to the Governor and management of the Government House Estate		34	33	33
Total		**34**	**33**	**33**

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

DEPARTMENTAL STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Personal, administrative and logistical support to the Governor and management of the Government House Estate				
Service standards				
Other measures				
Meetings of Executive Council		48	55	48
Visits to Queensland regional centres		45	41	45
Days in Queensland regional centres		70	73	70
Honours and awards ceremonies	1	40	30	30
Patronage commitments	1	125	110	110
Civic and community activities	1	370	314	315
Speeches and messages	1	250	183	185
Gardens and grounds maintained in accordance with standards set in the Horticultural Service Level Agreement	2	90%	>95%	100%
Percentage of works projects completed on time and within budget		100%	100%	100%
Percentage of correspondence and requests responded to within 10 days		>95%	<95%	>95%
Visitors to Government House	1	New measure	8,000	10,000
State contribution ($000)		**5,656**	**5,847**	**5,719**
Other revenue ($000)		**..**	**..**	**..**
Total cost ($000)		**5,656**	**5,847**	**5,719**

Notes:
1. Events at Government House and the Governor's program have been re-prioritised due to travel and other commitments associated with natural disasters and bad weather in Queensland in late 2010, early 2011.
2. The wording of this measure has been amended to more appropriately reflect the service provided.

INCOME STATEMENT

Office of the Governor	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue	1,5	5,656	5,847	5,719
User charges		..	..	..
Grants and other contributions		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**5,656**	**5,847**	**5,719**
Expenses				
Employee expenses	3,6	3,645	3,646	3,799
Supplies and services	2,4,7	1,899	2,089	1,775
Grants and subsidies		..	..	..
Depreciation and amortisation		83	83	116
Finance/borrowing costs		..	..	..
Other expenses		29	29	29
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**5,656**	**5,847**	**5,719**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

STATEMENT OF CHANGES IN EQUITY

Office of the Governor	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		26	26	27
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**26**	**26**	**27**
Surplus/(deficit) for the period		..	..	..
Total recognised income and expense for the period		**26**	**26**	**27**
Equity injection/(withdrawal)		456	456	(75)
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**482**	**482**	**(48)**

BALANCE SHEET

Office of the Governor	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets		227	349	349
Receivables		81	95	95
Other financial assets		..	..	..
Inventories		27	30	30
Other		35	25	25
Non-financial assets held for sale		..	..	..
Total current assets		**370**	**499**	**499**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		1,209	1,207	1,234
Intangibles		456	456	381
Other		..	..	..
Total non-current assets		**1,665**	**1,663**	**1,615**
TOTAL ASSETS		**2,035**	**2,162**	**2,114**
CURRENT LIABILITIES				
Payables		277	229	229
Accrued employee benefits	8,9	5	85	85
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**282**	**314**	**314**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**282**	**314**	**314**
NET ASSETS/(LIABILITIES)		**1,753**	**1,848**	**1,800**
EQUITY				
Capital/contributed equity		1,321	1,321	1,246
Accumulated surplus/(accumulated deficit)		(88)	(49)	(49)
Reserves:				
- Asset revaluation surplus		520	576	603
- Other		..	..	..
TOTAL EQUITY		**1,753**	**1,848**	**1,800**

CASH FLOW STATEMENT

Office of the Governor	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts	10,14	5,656	5,847	5,719
User charges		..	..	..
Grants and other contributions		..	..	..
Other		..	..	..
Outflows:				
Employee costs	12,15	(3,645)	(3,646)	(3,799)
Supplies and services	11,13,16	(1,899)	(2,089)	(1,775)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(29)	(29)	(29)
Net cash provided by/(used in) operating activities		**83**	**83**	**116**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		(539)	(539)	(41)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(539)**	**(539)**	**(41)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		499	499	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		(43)	(43)	(75)
Net cash provided by/(used in) financing activities		**456**	**456**	**(75)**
Net increase/(decrease) in cash held		**..**	**..**	**..**
Cash at the beginning of financial year		**227**	**349**	**349**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**227**	**349**	**349**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
1. An increase in service revenue due to the impact of funding deferred from 2009-10 to 2010-11 as well as Enterprise Bargaining arrangements.
2. An increase in expenditure on supplies and services associated with the program of renewal of the Office's Information Technology systems.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
3. An increase in employee expenses due to Enterprise Bargaining and other legislated arrangements.
4. A decrease in expenditure in 2011-12 on supplies and services associated with the completion of the program of renewal of the Office's Information Technology systems.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
5. A decrease in service revenue due to the impact of funding deferred from 2009-10 to 2010-11.
6. An increase in employee expenses due to Enterprise Bargaining and other legislated arrangements.
7. A decrease in expenditure in 2011-12 on supplies and services associated with the completion of the program of renewal of the Office's Information Technology systems.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
8. An increase in accrued employee benefits resulting from the recognition of annual and long service leave payable.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
9. An increase in accrued employee benefits resulting from the recognition of annual and long service leave payable.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
10. An increase in service receipts due to the impact of funding deferred from 2009-10 to 2010-11.
11. An increase in supplies and services associated with the program of renewal of the Office's Information Technology systems.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
12. An increase in employee costs due to Enterprise Bargaining and other legislated arrangements.
13. A decrease in supplies and services associated with the completion of the program of renewal of the Office's Information Technology systems.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
14. A decrease in service receipts due to the impact of funding deferred from 2009-10 to 2010-11.
15. An increase in employee costs due to Enterprise Bargaining and other legislated arrangements.
16. A decrease in supplies and services associated with the completion of the program of renewal of the Office's Information Technology systems.

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PART 3

Public Service Commission

Summary of departmental budget

Page	Agency	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
1-88	Public Service Commission	13,163	13,481	15,635

Note:
1. Explanation of variances are provided in the financial statements.

DEPARTMENTAL OVERVIEW

MINISTERIAL RESPONSIBILITY

The Premier and Minister for Reconstruction is the Minister responsible for all functions within this agency.

STRATEGIC ISSUES

The Public Service Commission (PSC) was established under the *Public Service Act 2008*. It supports the achievement of the main purposes of the Act by enhancing the public service's human resource management and capability, and reviewing and improving the overall effectiveness and efficiency of government entities.

The PSC supports a high performing, innovative public service that is responsive to government priorities and focused on the delivery of services.

The PSC strategic objectives are framed to support the *Toward Q2: Tomorrow's Queensland* ambitions, and are designed to address today's public service environment of complexity, change and increasing community expectations.

Objective 1: PSC leadership contributes to achieving a high performing workforce and efficient organisations.

Objective 2: PSC leadership contributes to public sector reform and drives efficiencies and improved service delivery.

Objective 3: Be a partner of choice for building capability, leadership and performance.

Objective 4: PSC capacity supports our priorities.

The Integrity Commissioner is administratively included within the Public Service Commission. The Integrity Commissioner reports annually to Parliament and will meet with the Integrity, Ethics and Parliamentary Privileges Committee of the Parliament at least twice a year.

2011-12 HIGHLIGHTS

Public Service Commission

During 2011-12, the Public Service Commission will:

- continue to partner with public service agencies and Government-owned corporations to increase the representation of Indigenous employees across the public sector workforce and deliver on the Premier's Indigenous employment commitments under the *Australian Employment Covenant* and the *National Partnership Agreement on Indigenous Economic Participation*
- manage the implementation of the Queensland Government's Voluntary Separation Program across the public service with the aim to reduce the non-service delivery workforce by up to 3,500 employees
- support the implementation of the Queensland Government's Decentralisation and Regionalisation initiatives through the identification of appropriate business units for relocation and supporting workforce management strategies

- continue to address key findings of the inaugural *State of the Service Report* through the implementation of a whole-of-Government action plan
- conduct the second State of the Service employee survey in April 2012 and prepare the second *State of the Service Report*
- continue to work in partnership with departments to encourage Queensland Public Service (QPS) employees to participate in *Toward Q2: Tomorrow's Queensland* on a personal level as well as a professional level
- continue to enhance and promote an ethical culture and ethical decision-making across the public service
- carry out functions as the oversight agency for public interest disclosures under the *Public Interest Disclosure Act 2010* including conducting a first year review of the Act
- conduct a review of the *Code of Conduct for the Queensland Public Service*
- improve the efficiency and effectiveness of the appeals system and process including evaluating a trial of a new process for promotion appeals
- work with agencies to define the sector's professional development priorities and broker QPS-wide access to programs and resources that will strengthen the capability of the workforce
- develop and deliver a single online application portal for Queensland Government graduate programs
- review the PSC legislative, regulatory and policy architecture to ensure our instruments are strategic, contemporary and drive genuine improvements in key areas of workforce practice across the sector
- lead a reform of recruitment and selection practices across the sector to position the QPS as an employer of choice
- continue to provide quality information on workforce policy, ethics and public interest disclosures through the PSC Advisory Service, and utilise the data gathered to inform workforce policies and practice
- develop resources and showcase agency best practice to embed effective performance management across the public service.

Office of the Integrity Commissioner

In 2011-12, the Integrity Commissioner will continue to:

- provide timely advice to designated persons on ethics or integrity issues including conflict of interest issues
- give advice to the Premier, at her request, on issues concerning ethics or integrity involving any person who is a designated person other than a non-Government Member of Parliament
- meet with and give advice to Members of the Legislative Assembly on interests issues
- maintain the Queensland Register of Lobbyists and have responsibility for the registration of lobbyists
- promote adherence to the *Lobbyists Code of Conduct*
- meet with the Auditor-General of Queensland, Chairperson of the Crime and Misconduct Commission, the Ombudsman, the Information Commissioner and the Commission Chief Executive of the Public Service Commission to discuss matters of common interest
- provide lectures and papers to increase awareness of issues pertaining to public discussion issues relevant to the Integrity Commissioner's functions and expand the material available on the Integrity Commissioner's website.

RECENT ACHIEVEMENTS

Public Service Commission

During 2010-11, the Public Service Commission:

- continued implementation of Project 2800, as a result of the Premier signing the *Australian Employment Covenant* in February 2010. Project 2800 has committed the Queensland Public Service to providing 2,800 Indigenous employment opportunities by June 2013 and is working with public sector stakeholders as well as supply sources such as schools, universities and job service providers to deliver on this priority
- transitioned the Indigenous employment team from the Department of Employment, Economic Development and Innovation (DEEDI) to the PSC to provide dedicated support to the Indigenous employment and attraction strategies of Project 2800
- produced the inaugural Queensland *State of the Service Report*, an authoritative assessment of the strengths and achievements of the public service at a whole-of-Government level
- conducted information sessions about the inaugural *State of the Service Report* and its findings throughout Queensland, including sessions at regional centres such as Cairns, Rockhampton, Ipswich and the Sunshine and Gold Coasts
- developed and commenced implementation of a whole-of-Government action plan to address key findings of the *State of the Service Report*
- established Project Q2-e working in partnership with departments to encourage Queensland public service employees to participate in *Toward Q2* ambitions on a personal level as well as a professional level
- partnered with the Department of Communities, Brisbane City Council and Volunteering Queensland in the Volunteering Expo, that promoted the benefits and opportunities of volunteering in the community
- developed and implemented a volunteering resource and brochures for employees and managers to provide information to facilitate volunteering by public service employees
- continued to implement the integrity and accountability reform agenda by the following activities:
  - introduced the *Public Interest Disclosure Act 2010* and completed legislative amendments to the *Public Sector Ethics Act 1994*;
  - developed and obtained the Premier's approval for the *Code of Conduct for the Queensland Public Service* and applied the Code to twenty agencies outside the core public service by Regulation;
  - coordinated ethics workshops for Directors-General and heads of public sector agencies and developed, and hosted on a new website, training resources for SES ethics workshops, ethical decision-making and Code of Conduct; and
  - commenced the role of oversight agency for public interest disclosure under the *Public Interest Disclosure Act 2010*, including the development of a Public Interest Disclosure database and the release of supporting resources to assist agencies.
- amended the *Public Service Act 2008* to reflect the enhanced role of the PSC to promote an ethical culture in the public service; to promote leadership and management capability in relation to disciplinary matters; to extend disciplinary provisions to all public service employees; and made other administrative amendments
- published a report on the successful implementation of a trial of flexible working arrangements in the Departments of Environment and Resource Management, Public Works, Transport and Main Roads, Community Safety and the TransLink Transit Authority
- developed and launched a Flexible Workplaces information website in collaboration with the Inter-agency Coordination and Advisory Network

- partnered with the Departments of Justice and Attorney-General, Health and the Premier and Cabinet to progress and implement whole-of-Government initiatives to further improve flexible workplace arrangements and worker health and wellbeing
- monitored the Government's commitment to create 1,250 new training positions for apprentices and trainees each year for four years through to March 2013
- supported a range of professional development programs, including the Inspiring Leadership programs offered through the Queensland University of Technology, the University of Queensland and the Institute of Public Administration Australia (IPAA) Qld, and the continued take-up of the Public Sector Management Program
- worked with departments to develop and implement an attraction and recruitment strategy for all Queensland Government graduate programs
- heard and determined appeals under the *Public Service Act 2008* and implemented legislative reform by appointing an Appeals Officer to act independently when considering appeals
- achieved a significant reduction in time from the point of lodgement to the delivery of an appeal decision
- further enhanced and co-ordinated the framework for all CEOs in their annual Performance Assessment review during 2010-11
- met with all departments to discuss their implementation of the SES performance and development framework, including the use of the SES Performance Agreement template
- developed and delivered a series of workshops and functions to support the development of the Chief and Senior Executive Officers
- launched an Advisory Service to provide information on workforce policy, ethics and public interest disclosures to the public sector, employees and members of the public
- worked with agencies and Equal Employment Opportunity (EEO) networks to improve whole-of-sector EEO data quality and promote EEO outcomes in relation to Indigenous employment, use of identified positions and the recruitment and selection of people with disabilities
- amended the *Public Service Regulation 2008*
- reviewed 12 directives to support workforce reform.

Office of the Integrity Commissioner

During 2010-11, the Integrity Commissioner:

- continued to provide timely advice on ethics, integrity and conflict of interest issues
- continued to give advice to the Premier, at her request, on ethics and integrity issues
- continued to expand the material available on the Integrity Commissioner's website
- maintained the Queensland Register of Lobbyists
- continued to provide lectures and papers to increase awareness of issues pertaining to public discussion of ethics and integrity, including conflict of interest issues
- provided lectures and papers to local government and other organisations to increase awareness of the Lobbyists Register and limitations on lobbying
- continued to meet with the Auditor-General of Queensland, Chairperson of the Crime and Misconduct Commission, the Ombudsman, the Information Commissioner and the Commission Chief Executive of the Public Service Commission to discuss matters of common interest
- continued to contribute to the broader discussion and understanding of public service ethics issues through presentations to the Queensland Public Service Ethics Network, the Public Sector Governance Collaborative and individual departments
- continued to work with the Public Service Commission to raise awareness and standards of public service ethics.

DEPARTMENTAL SERVICES

Provision of Services for a High Performing Public Service

The Public Service Commission is responsible for overseeing and improving the management of the public service's human resources including staff development and improving public service performance and innovation, service delivery and accountability. The Integrity Commissioner, as an independent statutory office holder appointed by the Governor in Council under the *Integrity Act 2009*, advises the Premier and other designated persons on ethics or integrity issues including conflicts of interest.

STAFFING[1]

Service areas	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
Services				
Provision of services for a high performing public service	2	69	80	80
Total		**69**	**80**	**80**

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. Increase in FTE due to the transfer of Wal-Meta unit and the addition of the Voluntary Separation Program team.

DEPARTMENTAL STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Provision of services for a high performing public service				
Service standards				
CEO's satisfaction with the level of support provided		85%	85%	85%
Other measures				
Percentage of publications and resources implemented that assist service delivery reform and improved performance capability	1	85%	85%	85%
Percentage of annual performance agreements in place for the Chief Executive Service		100%	100%	100%
Number of Directives reviewed and reissued	2	10	12	10
Percentage of appeals finalised within required timeframes		80%	80%	80%
Percentage of programs partnered with departments		85%	85%	85%
State contribution ($000)		**12,069**	**12,684**	**13,881**
Other revenue ($000)		**1,805**	**1,508**	**1,754**
Total cost ($000)		**13,874**	**14,192**	**15,635**

Notes:
1. Comparison of actual publications released against planned publications expressed as a percentage.
2. Reviewed and reissued may also include new, amended, unamended, or repealed.

INCOME STATEMENT

Public Service Commission	Notes	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue	1,3,7	11,358	11,973	13,881
User charges	4,8	773	734	922
Grants and other contributions	2,5	992	770	828
Other revenue		40	4	4
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**13,163**	**13,481**	**15,635**
Expenses				
Employee expenses	6,9	8,398	8,410	10,677
Supplies and services		4,654	4,833	4,715
Grants and subsidies		..	..	..
Depreciation and amortisation		65	199	203
Finance/borrowing costs		..	..	..
Other expenses		46	39	40
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**13,163**	**13,481**	**15,635**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

STATEMENT OF CHANGES IN EQUITY

Public Service Commission	Notes	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation surplus		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		..	..	..
Total recognised income and expense for the period		**..**	**..**	**..**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**..**	**..**	**..**

BALANCE SHEET

Public Service Commission	Notes	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets		715	640	656
Receivables		559	514	514
Other financial assets		..	..	..
Inventories		..	..	..
Other		128	114	114
Non-financial assets held for sale		..	..	..
Total current assets		**1,402**	**1,268**	**1,284**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	10,12	514	2,105	1,971
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**514**	**2,105**	**1,971**
TOTAL ASSETS		**1,916**	**3,373**	**3,255**
CURRENT LIABILITIES				
Payables		547	718	718
Accrued employee benefits		399	186	186
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	118	118
Total current liabilities		**946**	**1,022**	**1,022**
NON-CURRENT LIABILITIES				
Payables	11,13	..	1,263	1,145
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**1,263**	**1,145**
TOTAL LIABILITIES		**946**	**2,285**	**2,167**
NET ASSETS/(LIABILITIES)		**970**	**1,088**	**1,088**
EQUITY				
Capital/contributed equity		929	930	930
Accumulated surplus/(accumulated deficit)		41	158	158
Reserves:				
- Asset revaluation surplus		..	..	..
- Other		..	..	..
TOTAL EQUITY		**970**	**1,088**	**1,088**

CASH FLOW STATEMENT

Public Service Commission	Notes	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts	14,17,21	11,358	12,477	13,881
User charges	18,22	717	734	922
Grants and other contributions	15,19	992	770	828
Other		40	4	4
Outflows:				
Employee costs	20,23	(8,398)	(8,410)	(10,677)
Supplies and services	16,24	(4,654)	(5,337)	(4,715)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(46)	(157)	(158)
Net cash provided by/(used in) operating activities		**9**	**81**	**85**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		(65)	(65)	(69)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(65)**	**(65)**	**(69)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**(56)**	**16**	**16**
Cash at the beginning of financial year		**771**	**624**	**640**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**715**	**640**	**656**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. An increase in service revenue primarily due to Public Interest Disclosure database implementation, management of the Queensland Government's Voluntary Separation Program, enhancement of the Commission's work program and net deferrals.
2. A decrease in grants and contributions primarily due to revised estimates in relation to whole-of-Government programs.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

3. An increase in service revenue primarily due to management of the Queensland Government's Voluntary Separation Program, enhancement of the Commission's work program, the full year effect of the Wal-Meta Indigenous Recruitment Unit machinery-of-Government transfer from the Department of Employment, Economic Development and Innovation (transfer of the Wal-Meta unit), net deferrals and Enterprise Bargaining arrangements.
4. An increase in user charges primarily due to advanced receipt of multi-year whole-of-Government program revenues.
5. A decrease in grants and contributions primarily due to revised estimates in relation to whole-of-Government programs.
6. An increase in employee expenses primarily due to management of the Queensland Government's Voluntary Separation Program, enhancement of the Commission's work program, transfer of the Wal-Meta unit, net deferrals and Enterprise Bargaining arrangements.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

7. An increase in service revenue primarily due to management of the Queensland Government's Voluntary Separation Program, enhancement of the Commission's work program, transfer of the Wal-Meta unit, net deferrals and Enterprise Bargaining arrangements, partly offset by the completion of the Public Interest Disclosure database implementation.
8. An increase in user charges primarily due to advanced receipt of multi-year whole-of-Government program revenues.
9. An increase in employee expenses primarily due to management of the Queensland Government's Voluntary Separation Program, enhancement of the Commission's work program, transfer of the Wal-Meta unit, net deferrals and Enterprise Bargaining arrangements, partly offset by the completion of the Public Interest Disclosure database implementation.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

10. An increase in non-current property, plant and equipment primarily due to the capitalisation of a leasehold incentive.
11. An increase in non-current payables primarily due to the recognition of a leasehold incentive liability.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

12. An increase in non-current property, plant and equipment primarily due to the capitalisation of a leasehold incentive.
13. An increase in non-current payables primarily due to the recognition of a leasehold incentive liability.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

14. An increase in service receipts primarily due to Public Interest Disclosure database implementation, management of the Queensland Government's Voluntary Separation Program, enhancement of the Commission's work program and net deferrals.
15. A decrease in grants and contributions primarily due to revised estimates in relation to whole-of-Government programs.
16. An increase in supplies and services primarily due to costs associated with management of the Queensland Government's Voluntary Separation Program and net deferrals, partly offset by revised costs related to whole-of-Government programs.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

17. An increase in service receipts primarily due to management of the Queensland Government's Voluntary Separation Program, enhancement of the Commission's work program, the full year effect of the transfer of the Wal-Meta unit, net deferrals and Enterprise Bargaining arrangements.
18. An increase in user charges primarily due to advanced receipt of multi-year whole-of-Government program revenues.
19. A decrease in grants and contributions primarily due to revised estimates in relation to whole-of-Government programs.
20. An increase in employee costs primarily due to additional costs associated with management of the Queensland Government's Voluntary Separation Program, enhancement of the Commission's work program, transfer of the Wal-Meta unit, net deferrals and Enterprise Bargaining arrangements.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

21. An increase in service receipts primarily due to management of the Queensland Government's Voluntary Separation Program, enhancement of the Commission's work program, transfer of the Wal-Meta unit, net deferrals and Enterprise Bargaining arrangements, partly offset the completion of the Public Interest Disclosure database implementation.
22. An increase in user charges primarily due to advanced receipt of multi-year whole-of-Government program revenues.
23. An increase in employee costs primarily due to costs associated with management of the Queensland Government's Voluntary Separation Program, enhancement of the Commission's work program, transfer of the Wal-Meta unit, net deferrals, and Enterprise Bargaining arrangements, partly offset by the completion of the Public Interest Disclosure database implementation.
24. A decrease in supplies and services primarily due to the completion of the Public Interest Disclosure database implementation and net deferrals, partly offset by management of the Queensland Government's Voluntary Separation Program, enhancement of the Commission's work program, transfer of the Wal-Meta unit and revised costs related to a whole-of-Government programs.

PART 4

Queensland Audit Office

Summary of departmental budget

Page	Agency	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
1-100	Queensland Audit Office	42,673	43,140	45,387

Note:
1. Explanations of variances are provided in the financial statements.

DEPARTMENTAL OVERVIEW

MINISTERIAL RESPONSIBILITY

The Premier and Minister for Reconstruction is the responsible Minister in relation to the appropriation to the independent statutory office, the Queensland Audit Office (QAO).

STRATEGIC ISSUES

The Auditor-General has a statutory responsibility to audit the consolidated fund, and all public sector entities, as defined in the *Auditor-General Act 2009,* and to report to the Parliament, auditees and relevant Ministers. The Auditor-General also has the discretion to perform an audit of a public sector entity's performance management systems. The audits culminate with the Auditor-General reporting matters of significance identified through the audits to Parliament and providing independent audit opinions on the financial statements of public sector entities.

The Auditor-General reports on compliance with prescribed requirements and the truth and fairness of a wide range of general and special purpose financial statements. The Auditor-General also provides audit certificates to the Australian Government in respect of Australian Government funding, and makes recommendations for system and other operational improvements in public administration for the benefit of Parliament and the public.

While Parliament is the primary client of the Auditor-General, responsibility also covers the audit of over 300 public sector clients consisting of departments, statutory bodies, government owned corporations and local governments. QAO performs over 700 financial and assurance audits on these clients and their controlled entities. The QAO is an independent statutory office established to support the Auditor-General in the discharge of the Auditor-General's duties and obligations under the *Auditor-General Act 2009*.

The vision of the QAO is excellence in enhancing public sector accountability and our service is independent public sector audit services and reporting.

The directions established by the Queensland Government in *Toward Q2: Tomorrow's Queensland* have been considered in the development of QAO's strategic direction. QAO contributes to the ambitions of Strong, Green, Smart, Healthy and Fair through our actions as a public sector entity and the outcomes of our audits of the activities of public sector entities. Our objectives drive the way we meet our challenges.

The QAO has four objectives:

- Parliament. QAO will meet the needs of Parliament by providing independent assurance on the stewardship of public moneys and assets, through our reports to Parliament with audit recommendations, emerging issues and other matters of significance
- Value. QAO adds value to public sector entities through the delivery of high quality audit services and developing strong professional relationships to benefit public sector entities
- Business. QAO's business is effective, efficient and sustainable, building quality systems and processes to manage and report on our business and financial sustainability and audit performance

- Capability. QAO staff are motivated and capable. QAO develop staff to ensure a contemporary, innovative professional service organisation and empower staff to develop and deliver quality services.

The *Report of the 2010 Strategic Review of the Queensland Audit Office,* pursuant to the *Auditor-General Act 2009,* was tabled in Parliament on 10 March 2010. The strategic review included a review of the Auditor-General's functions to assess whether they are being performed economically, effectively and efficiently. The review made 44 recommendations based on 57 conclusions which addressed various areas for continued action and improvement to enable QAO to better respond to emerging challenges in the future.

Some of the main recommendations raised related to:
- a proposed expansion of the audit mandate to include full performance audits, consistent with the approach adopted in other Australian and international jurisdictions
- proposed changes to the *Auditor-General Act 2009* to allow the audit of government financial transactions with third parties via a 'follow the dollar' approach
- a proposal to allow alternative audit arrangements for some small, low risk entities.

The report was referred to the Public Accounts and Public Works Committee which tabled its reports in Parliament on 2 September 2010 and 9 March 2011. The Committee supported the main recommendations of the strategic review.

2011-12 HIGHLIGHTS

Significant initiatives for 2011-12:
- continue to assist and encourage all public sector entities to maintain a strong focus on accountability and governance principles including the timely finalisation of financial reporting requirements
- choose topics for performance management systems audits and sector-wide financial and compliance audits to improve the overall accountability and governance of public sector entities
- engage with auditees to explore value-adding and best practice opportunities which can be gained from conducting audits
- progress the implementation of responses to the endorsed recommendations from the 2010 strategic review
- review audit systems and staff development in preparation for the envisaged expanded audit mandate.

RECENT ACHIEVEMENTS

- Completed 100% of audits for the 2009-10 audit year within statutory timeframes, where statutory requirements were observed by auditees.
- Completed 11 Auditor-General Reports to Parliament in 2010-11.
- Conducted and reported on audits of performance management systems including:
  - sustainable management of national parks and protected areas;
  - implementation and enforcement of local laws;
  - follow up of 2009 audits of the health systems; and
  - managing offenders subject to supervision in the community.
- Identified and reported to Parliament on issues with sector-wide implications including:
  - audit committee guidance;
  - pre-employment checking;
  - payments processed through electronic funds transfer;

  - compliance with the State Procurement Policy;
  - tabling of financial statements in Parliament; and
  - disclosure of executive remuneration.
- Identified and reported to Parliament on issues including:
  - implementation of the Queensland Health payroll;
  - the Shared Services initiative;
  - implementation of QBuild's financial and resource management system (Ellipse);
  - sale of Queensland Government infrastructure assets; and
  - implementation of audit recommendations in relation to the management of public sector employee housing.
- Completed and reported on expenditure under the *Nation Building - Economic Stimulus Plan* at 31 August 2010.
- Continued to provide briefings to the Public Accounts and Public Works Committee on reports to Parliament and briefed members of the Committee on QAO activities and the audit program being undertaken.
- Continued to brief and discuss with the Public Accounts and Public Works Committee the recommendations of the strategic review of QAO and the progress in responding to the recommendations.
- Prepared submissions in relation to:
  - Australian Accounting Standards Board (AASB) exposure drafts;
  - Auditing and Assurance Standards Board Exposure Drafts;
  - topical audit issues to the Australasian Council of Auditors-General; and
  - central agency policy documents and legislation.
- Provided updates to clients on accounting and auditing issues.
- Provided information sessions for clients.
- Continued to contribute to integrating activities with other Australian Audit Offices through benchmarking activities.
- Implemented an enhanced quality assurance program over audits conducted by QAO to ensure that the stringent requirements of the Auditing Standards were met.
- Completed quality reviews of contract auditors to ensure a high standard of quality work is maintained.
- Published and distributed six issues of the *INFORM* journal to update the public sector on current and emerging issues and QAO activities.
- Reviewed functions in the Audit Support Division to ensure the activities were appropriately clustered and resourced.
- Reviewed the roles, responsibilities and governance arrangements of the Information Technology branch to ensure that these were adequate to meet QAO's business needs.
- Continued to conduct significant training of audit staff through the Learning and Development Program.
- Continued to implement improvements to QAO's audit methodology software IPSAM.

DEPARTMENTAL SERVICES

Independent public sector auditing services and reporting contributes to the *Toward Q2: Tomorrow's Queensland* ambitions through QAO's actions as a public sector entity and the outcomes of audits by providing Parliament with assurance over the financial management activities of public sector entities.

Three major activities under this service are linked to the QAO's objectives of Parliament and Value:

- Parliamentary reporting and services and sector wide assistance:
  - reports to Parliament and better practice guides;
  - advice and assistance to Parliament, including briefings and submissions to Parliamentary Committees and briefings to Ministers;
  - advice and assistance to audit clients and key stakeholders; and
  - special investigations.
- Annual financial and assurance audits of all public sector entities:
  - independent audit opinion and management reports;
  - independent audit opinion of consolidated whole-of-government statements and management reports; and
  - audit opinions in relation to Australian Government grants.
- Performance management systems audits.

The reports prepared by the Auditor-General for presentation to Parliament are directed towards ensuring high standards of public accountability by public sector agencies.

STAFFING[1]

Service areas	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
Service				
Independent public sector audit services and reporting		240	239	235
Total		**240**	**239**	**235**

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

DEPARTMENTAL STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Independent Public Sector Auditing Services and Reporting				
Service standards				
Financial and assurance audits				
Audit Client satisfaction with QAO financial and assurance audit services	1	85%	72%	80%
Percentage of quality assurance reviews of audit quality processes or audit files that comply with the Auditor-General of Queensland Auditing Standards and other relevant requirements		New measure	100%	100%
Percentage of financial statements audited and certified within statutory timeframe where statutory requirements observed by audit clients		95%	96%	95%
Average cost per Report to Parliament for financial and assurance audits		New measure	$0.121 million	$0.105 million
Average time for reporting financial and assurance audits to Parliament from the date of audit certification		New measure	2.8 months	< 4 months
Percentage of operational costs self funded through audit fees		85%	87%	86%
Performance management systems audits				
Average time to complete PMS audits including reporting to Parliament		< 7 months	6.5 months	< 7 months
Average cost per PMS audit		$0.350 million	$0.387 million	$0.400 million
Audit client satisfaction with PMS audit services		75%	83%	75%
Parliamentary reporting and sector-wide assistance				
Audit Reports to Parliament completed to the satisfaction of the Parliament and the Public Accounts and Public Works Committee	2	Satisfied	Satisfied	Satisfied
Other measures				
Parliamentary reporting and sector-wide assistance				
Number of audit reports to Parliament				
- Financial and Assurance Audits		4	5	4
- Performance Management Systems Audit		7	6	7
State contribution ($000)		**6,223**	**6,223**	**6,402**
Other revenue ($000)		**36,450**	**38,022**	**39,407**
Total cost ($000)		**42,673**	**43,140**	**45,387**

Notes:
1. Survey results were severely disrupted with Round 2 survey not occurring as it coincided with the 2011 natural disasters.
2. Consideration to be given to this measure due to the changing structure of Parliamentary Committees.

INCOME STATEMENT

Queensland Audit Office	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue		6,223	6,223	6,402
User charges	1,4,6	36,255	37,659	39,108
Grants and other contributions		..	..	..
Other revenue	2	195	363	299
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**42,673**	**44,245**	**45,809**
Expenses				
Employee expenses	7	24,920	24,941	25,667
Supplies and services	8	17,211	17,660	19,172
Grants and subsidies		..	..	..
Depreciation and amortisation		384	342	352
Finance/borrowing costs		3	3	..
Other expenses		155	194	196
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**42,673**	**43,140**	**45,387**
OPERATING SURPLUS/(DEFICIT)	3,5	**..**	**1,105**	**422**

STATEMENT OF CHANGES IN EQUITY

Queensland Audit Office	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation surplus		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period	3,5	..	1,105	422
Total recognised income and expense for the period		**..**	**1,105**	**422**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**..**	**1,105**	**422**

BALANCE SHEET

Queensland Audit Office	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	9,11,14	168	843	1,503
Receivables		5,910	6,021	6,021
Other financial assets		..	..	..
Inventories		..	..	..
Other		323	387	307
Non-financial assets held for sale		..	..	..
Total current assets		**6,401**	**7,251**	**7,831**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	12,15	261	318	411
Intangibles	13	244	246	51
Other		..	10	10
Total non-current assets		**505**	**574**	**472**
TOTAL ASSETS		**6,906**	**7,825**	**8,303**
CURRENT LIABILITIES				
Payables	10	662	990	1,025
Accrued employee benefits		700	715	736
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**1,362**	**1,705**	**1,761**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**1,362**	**1,705**	**1,761**
NET ASSETS/(LIABILITIES)		**5,544**	**6,120**	**6,542**
EQUITY				
Capital/contributed equity		5,183	5,183	5,183
Accumulated surplus/(accumulated deficit)		361	937	1,359
Reserves:				
- Asset revaluation surplus		..	..	..
- Other		..	..	..
TOTAL EQUITY		**5,544**	**6,120**	**6,542**

CASH FLOW STATEMENT

Queensland Audit Office	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts		6,223	6,223	6,402
User charges	16,17,19	38,212	39,773	41,065
Grants and other contributions		..	..	..
Other		195	363	299
Outflows:				
Employee costs	20	(24,850)	(24,861)	(25,566)
Supplies and services	18,21	(18,012)	(18,942)	(19,938)
Grants and subsidies		..	..	..
Borrowing costs		(3)	(3)	..
Other		(1,311)	(1,350)	(1,352)
Net cash provided by/(used in) operating activities		**454**	**1,203**	**910**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		(250)	(259)	(250)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(250)**	**(259)**	**(250)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		(109)	(109)	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**(109)**	**(109)**	**..**
Net increase/(decrease) in cash held		**95**	**835**	**660**
Cash at the beginning of financial year		**73**	**8**	**843**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**168**	**843**	**1,503**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. An increase in user charges due to increased audit activity, improved fee recovery and increased recoverable contract audit fees. QAO fee rates were adjusted to reflect real cost impacts, particularly salary and accommodation costs. Increased recoverable contract auditor fees generated are offset by increased contractor expense included in supplies and services.
2. An increase in other revenue due to timing of cost recoveries.
3. A surplus generated from the increased audit activity and improved fee recovery and partially offset by increased use of contractors.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

4. An increase in user charges due to increased audit activity, improved fee recovery and increased recoverable contract audit fees. QAO fee rates were adjusted to reflect real cost impacts, particularly salary and accommodation costs. Increased recoverable contract auditor fees generated are offset by increased contractor expense included in supplies and services.
5. A surplus generated from the increased audit activity and improved fee recovery.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

6. An increase in user charges due to increased audit fee charge out rates which have been adjusted to be commensurate with the level of costs incurred by QAO.
7. An increase in employee expenses due to Enterprise Bargaining arrangements.
8. An increase in supplies and services due to increased contractor costs and the replacement of notebooks and personal computers.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

9. An increase in cash assets due to improved recovery activity and budget surplus.
10. An increase in current payables due to timing of payment process.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

11. An increase in cash assets due to improved recovery activity and budget surplus.
12. An increase in property plant and equipment due to the ongoing replacement program of information technology equipment.
13. A decrease in intangibles due to amortisation of software assets.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

14. An increase in cash assets due to budget surplus.
15. An increase in property plant and equipment due to ongoing replacement program of information technology equipment.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

16. An increase in user charges due to increased audit activity, improved fee recovery and increased recoverable contract audit fees. QAO fee rates were adjusted to reflect real cost impacts, particularly salary and accommodation costs. Increased recoverable contract auditor fees generated are offset by increased contractor expense included in supplies and services.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

17. An increase in user charges due to increased audit activity, improved fee recovery and increased recoverable contract audit fees. QAO fee rates were adjusted to reflect real cost impacts, particularly salary and accommodation costs. Increased recoverable contract auditor fees generated are offset by increased contractor expense included in supplies and services.
18. An increase in supplies and services due to increased expenditure on contractors and reduction of actual payables balance.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

19. An increase in user charges due to increased audit fee charge out rates which have been adjusted to be commensurate with the level of costs incurred by QAO.
20. An increase in employee costs due to Enterprise Bargaining arrangements.
21. An increase in supplies and services due to increased contractor costs and the replacement of notebooks and personal computers.

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PART 5

Treasury Department

Summary of departmental portfolio budgets

Page	Agency	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
1-111	Queensland Treasury - controlled	271,001	309,665	165,597
	Queensland Treasury - administered	4,763,334	4,720,615	6,279,327
1-133	Motor Accident Insurance Commission/	10,529	10,528	11,163
	Nominal Defendant	59,129	17,366	63,009
1-145	Queensland Future Growth Corporation	..	..	..

Note:
1. Explanations of variances are provided in the financial statements.

DEPARTMENTAL OVERVIEW

MINISTERIAL RESPONSIBILITY

The Treasurer and Minister for State Development and Trade, the Honourable Andrew Fraser MP, and the Minister for Finance and The Arts, the Honourable Rachel Nolan MP, have ministerial responsibility for the Treasury Department.

STRATEGIC ISSUES

The role of Treasury is to build the State's economic growth and ensure that Government resources improve quality of life for Queenslanders and achieve value for money.

To do this, Treasury provides:

- sound and timely advice to the Government to manage the State's finances in a sustainable way
- leadership in financial and economic management to the Queensland public sector.

Treasury contributes to the Government's *Toward Q2: Tomorrow's Queensland Strong ambition – Creating a diverse economy powered by bright ideas* – and the 2020 target *Queensland is Australia's strongest economy, with infrastructure that anticipates growth* by:

- delivering financial and economic policy advice, providing advice to foster State-wide infrastructure development and implementing whole-of-Government fiscal and economic strategies
- maximising the value of the Government's investment in Government-owned corporations (GOCs) to the State
- providing timely and comprehensive advice and information on the State's economy to the Treasurer, Minister for Finance and other key stakeholders
- taking a targeted and proactive approach to the State's financial and revenue management systems and practices, and developing its people to support innovative business practices.

Over the 2010-11 summer, Queensland experienced widespread flooding and cyclones resulting in the vast majority of the State being disaster declared. The natural disasters devastated communities and livelihoods, and significantly deteriorated business conditions for sectors of the economy. The Queensland Reconstruction Authority was established to lead rebuilding efforts and will report directly to the Premier as Minister for Reconstruction.

Reconstruction costs will continue to impact on an already challenging fiscal position. Treasury's strategic direction throughout 2011-12 will be driven by the need to support the Government's priority of rebuilding Queensland.

Treasury's objectives are to:

- restore the State's financial position by meeting the Government's fiscal principles while managing the continuing effects of the global financial crisis and the financial and economic challenges arising from State-wide natural disasters
- continue structural, infrastructure and other reforms to increase the productivity of the Queensland economy and raise living standards in a challenging external environment
- ensure Government resources achieve value for money, are directed to services that improve quality of life and are delivered efficiently and equitably
- secure good outcomes for Queensland in the Australian Government's reform agendas and the Commonwealth Grants Commission review processes.

2011-12 HIGHLIGHTS

Treasury will implement or continue the following major initiatives in 2011-12:

- manage the State Budget process in accordance with the *Charter of Fiscal Responsibility*
- manage the State Government's involvement in ongoing intergovernmental reform of Commonwealth grants (including national health and hospital reform), the distribution of GST grants and national taxation arrangements
- complete the restructure of the electricity generation GOCs to ensure their continued long-term viability in the face of considerable commercial challenges
- provide strategic advice to Government and assess carefully the risks and benefits of proposed major port expansions flowing from increased resource sector customer demand
- implement a State-wide campaign to promote the August 2011 national Census of Population and Housing to encourage participation by all Queenslanders
- undertake an extensive reinsurance pricing exercise to assist the Government in determining whether to purchase property and casualty reinsurance, inclusive of road assets and natural disaster coverage
- implement the Government's 2011-12 Budget revenue and grants measures, including the abolition of the Community Ambulance Cover levy, the new Queensland Building Boost Grant and changes to transfer duty
- incorporate the responsibility for royalty revenue collection into the Office of State Revenue, including the development of a royalties module in the Revenue Management System to allow for electronic lodgement and payment
- participate in, and advise Government about, the Australian Government's tax forum in October 2011
- participate in the Australian Government's review of the distribution of GST revenue to make improvements to the current methodology, particularly the mining assessment, and to introduce a simpler, fairer and more efficient method for distributing GST.

RECENT ACHIEVEMENTS

In 2010-11 Treasury's key achievements included:

- managing the State Budget process in accordance with the *Charter of Fiscal Responsibility*
- completing the remaining transactions of the asset sales process, incorporating raising $4.6 billion in proceeds from the QR National share offer (tranche 1), raising $2.095 billion in proceeds from the 99-year lease of the Port of Brisbane, raising $1.829 billion in proceeds from the 99-year lease of the Abbot Point Coal Terminal and finalising the $3.088 billion transfer of Queensland Motorways Limited to QIC Limited
- amending the *Queensland Competition Authority Act 1997*, achieving certification of the effectiveness of Queensland's rail access regime by the Australian Government, and applying for certification of the Dalrymple Bay Coal Terminal access regime
- identifying and progressing opportunities for structural reform in the electricity generation sector to raise living standards and the productivity of the Queensland economy
- assisting in the establishment of QR Limited, a new GOC, and then monitoring and supporting its early development
- producing the Queensland Government's population projections to 2031 to inform government, private and community sector planning, policy and resource allocation
- further leveraging investment in Office of State Revenue's Revenue Management System by implementing this solution in other Government agencies to improve services to clients, reduce costs and enhance the level of information and intelligence available
- implementing an instalment payment option for land tax to help businesses and investors manage cashflow.

DEPARTMENTAL SERVICE AREAS

Machinery-of-Government changes resulted in the transfer of the Department of Employment, Economic Development and Innovation's royalty collection function to Treasury's Office of State Revenue from 1 July 2011. Current departmental services are detailed in the following pages.

Financial and economic policy

Treasury Office provides policies, strategies and advice at a whole-of-Government level to promote value-for-money service delivery, manage the State's finances in accordance with the *Charter of Fiscal Responsibility*, and advance the performance of the Queensland economy to support growth and employment.

Treasury Office achieves this by undertaking a range of key activities including:
- developing and monitoring the State Budget
- promoting Queensland's position in negotiations with the Australian Government and other states and territories
- providing financial advice to foster State-wide infrastructure development
- advocating Queensland's regulatory reform objectives and achievements to business, community and government
- delivering financial advice to foster quality financial reporting and decision making
- providing advice on and undertaking commercial transactions on behalf of Government.

Government-owned corporations performance and governance

The Office of Government Owned Corporations (OGOC) advises and supports shareholding Ministers in managing the Government's shareholding in GOCs. These corporations operate in open and competitive markets in a competitively neutral manner. The office takes a strategic approach to policy development for GOCs, monitoring their performance and ensuring they comply with relevant legislation.

OGOC undertakes activities that support and assist the GOC sector in delivering competitive, cost-effective and timely infrastructure and services. The office also aims to build shareholder value and establish appropriate principles of strategic governance.

Economic and statistical research

The Office of Economic and Statistical Research (OESR) provides whole-of-Government statistical, economic and demographic services including statistics, modelling and data management.

OESR achieves this by undertaking a range of key activities including:
- supporting Treasury's analytical capabilities to inform advice on economic reform issues
- coordinating the activities of key statistics providers to establish and maintain an integrated statistical service across governments
- working with other jurisdictions and Queensland agencies to reform statistical policies and processes
- providing a broad range of statistical services to support stakeholders' evidence base for policy evaluation and performance
- providing data, information and analysis for population dynamics and forecasts, residential dwelling activities and urban land supply
- maintaining and enhancing rigorous economic and social research agendas to advance the State

- enhancing and expanding official surveys and methodology capabilities.

Revenue management

The Office of State Revenue (OSR) delivers and administers revenue management services for Queensland taxes (duties, payroll tax, land tax and gambling taxes), royalty revenue and grants. OSR also conducts revenue compliance and debt recovery activities, provides legislative and policy advice to the Government to maintain and improve the State's revenue system, and contributes to revenue forecasting and trend analysis to secure Queensland's future revenue base.

OSR works towards this by:
- positioning itself as a leading e-business agency with excellent client support and firm and fair enforcement
- providing responsive and ongoing legislation and revenue policy advice services to the State Government
- further developing its Revenue Management System to support innovative business practices.

STAFFING[1]

Service areas	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
Service[2]				
Financial and economic policy	3	297	296	275
GOC performance and governance		37	35	37
Economic and statistical research	4	135	134	139
Revenue management	5	466	465	475
Total services		**935**	**930**	**926**
Corporate services provided to other agencies	6	10	9	8
Total	7	**945**	**939**	**934**

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate FTEs are allocated across the services to which they relate.
3. The decrease in the 2011-12 Estimate is due to the wind up of the Commercial Transactions Team following the anticipated finalisation of the Government's infrastructure asset sale process in 2011-12.
4. The increase in the 2011-12 Estimate is primarily due to additional positions for the national 2011 Census of Population and Housing project.
5. The increase in the 2011-12 Estimate is primarily due to the Machinery-of-Government transfer of staff performing the royalty collection function from the Department of Employment, Economic Development and Innovation on 1 July 2011.
6. Includes staff providing corporate support to the Motor Accident Insurance Commission and Nominal Defendant.
7. The 2011-12 Estimate does not reflect the potential impact of the Voluntary Separation Program.

2011-12 SERVICE SUMMARY[1]

Service areas	Total cost $'000	Sources of revenue			
		State Contribution $'000	User charges $'000	C'wealth revenue $'000	Other revenue $'000
Financial and economic policy	57,497	55,762	1,735	..	..
GOC performance and governance	7,719	6,200	1,519	..	..
Economic and statistical research	22,420	16,304	6,116	..	..
Revenue management	77,813	76,204	1,609	..	..
Departmental	**165,449**	**154,470**	**10,979**	**..**	**..**
Other[2]	**1,973**	**1,855**	**118**	**..**	**..**
Reconciliation adjustment to the Income Statement[3]	**(1,825)**	**..**	**(1,825)**	**..**	**..**
Total[4]	**165,597**	**156,325**	**9,272**	**..**	**..**

Notes:
1. Explanations of variances are provided in the financial statements.
2. The total revenue sources do not equal the 'Total income' in the 'Departmental financial statements' as the Department provides corporate services to non-departmental services (Motor Accident Insurance Commission and Nominal Defendant).
3. This line represents the eliminations upon consolidation for internal trading between services.
4. This line reconciles to the Income Statement where total cost is represented by total expenses.

ADMINISTERED ITEMS

Administered activities are those undertaken by the Department on behalf of the whole of Government.

DESCRIPTION

Treasury is responsible for overseeing significant administered revenues and expenses. Treasury receives a large proportion of the State's taxation and Australian Government revenue which is used to fund Government priorities.

In addition, Treasury administers major grants and subsidies including the First Home Owner Grant and the Australian Government's First Home Owner's Boost.

Since 1 July 2000, the Queensland Government, administered through Treasury, has provided a $7,000 grant – the First Home Owner Grant – to eligible persons to help offset the cost of purchasing a first home. The total cost of this First Home Owner Grant Scheme, including the $4,000 Regional First Home Owner Grant Boost offered in 2010-11, is estimated at $112 million in 2010-11 and $117.5 million in 2011-12.

In its capacity as the Government's financial manager, Treasury also manages the Government's cash balances and financing requirements.

POLICY DECISIONS SINCE THE 2010-11 BUDGET

Queensland Building Boost Grant

In order to assist recovery in the housing construction sector, the Government will provide a temporary $10,000 grant towards the construction or purchase of a new home for six months commencing 1 August 2011. The grant will be available for all purchasers, including first home buyers, other homebuyers and investors, for houses or units valued at up to $600,000. This measure is expected to provide $140 million in assistance to purchasers of new residential property and the housing construction sector.

Eligibility for the grant will be dependent on the commencement date of the transaction being during the period in which the grant is available (i.e. 1 August 2011 to 31 January 2012), generally this will be the date the contract is made. Construction will need to be started and completed within specified timeframes. In the case of a contract to build a residence, building must start within 26 weeks of the contract being signed and must be completed within 18 months of building commencing.

Abolition of the Community Ambulance Cover Levy

To reduce cost of living pressures on Queensland households and businesses, the Government will abolish the Community Ambulance Cover levy from 1 July 2011. This measure represents a saving of around $113 to each of the approximately 1.4 million electricity account holders that would have otherwise been liable for the levy in 2011-12.

Revisions to Transfer Duty

In order to fund the Queensland Building Boost Grant and the abolition of the Community Ambulance Cover levy, the Government is removing the transfer duty concession for homebuyers purchasing homes from 1 August 2011. The concession currently provides assistance of up to $7,175 for homebuyers and was estimated to cost the State $308 million in revenue foregone in 2010-11.

At the same time, the transfer duty rate structure will be revised to ensure transfer duty payable on a home remains lower in Queensland than the standard arrangements in any other mainland state. There will be no impact on first home buyers purchasing a home valued at up to $500,000, while those purchasing a home valued at between $500,000 and $600,000 will receive a partial first home concession.

Payroll tax rebate for apprentices and trainees

The wages of apprentices and trainees are exempt from payroll tax. In addition to this employment incentive, the Government has decided to extend the 25% payroll tax rebate on the wages of each apprentice and trainee employed until 30 June 2012. The rebate will be offset against the tax payable on the wages of other employees.

Land Tax – capping of land values

Land tax is levied on the unimproved value of the landowner's aggregated holdings of freehold land owned in Queensland as at midnight on 30 June each year. A 50% cap on the annual increase in land values used for the purpose of calculating land tax liabilities commenced from 1 July 2007 for a period of three years and was extended for a further year in the 2010-11 Budget. Land tax payers are estimated to have saved more than $100 million over the period 2008-09 to 2011-12.

This Budget provides a continuation of the 50% land value cap in 2011-12 saving land tax payers approximately $15 million.

Voluntary Separation Program

The Government has announced a Voluntary Separation Program resulting in savings to the budget of $175 million per annum ongoing from 2012-13.

The objective of the enhanced separation payments of the program is to encourage an estimated 3,500 public servants working in non-frontline service delivery roles to leave the service. However, the program is voluntary and the take up will depend on how attractive it is to employees.

The separation payments will be funded upfront with an estimated cost of around $245 million in 2011-12.

Additional Efficiency Dividend

The Government will increase the existing efficiency dividend by an additional $56 million in 2013-14 and $106 million in 2014-15, bringing the total efficiency dividend at a whole-of-Government level to $500 million.

The additional efficiency dividend has been allocated across agencies.

Land Rich Duty – Land Holder Model

As announced in the Mid Year Fiscal and Economic Review, the Government will apply a land holder model for land rich duty from 1 July 2011 resulting in $30 million per annum in additional duty revenue from 2011-12. The existing land rich provisions in the *Duties Act 2001* will be modified to a land holder model. The land holder model is the model adopted in other states and territories with the exception of Tasmania. Duty will be applied to the acquisition of 50% or more of an unlisted company or 90% or more of a listed company or listed unit trust holding land in Queensland worth $2 million or more. Duty for listed entities will be charged at a concessional rate of 10% of the amount that would otherwise be charged.

Moving Royalties to monthly collections

As announced in the Mid Year Fiscal and Economic Review the Government will collect monthly royalty payments from the bulk of producers from 1 January 2012 (rather than quarterly as at present). While not increasing the amount of royalties collected, the cash flow benefit to the State from this measure is estimated to be $14 million per annum.

COMMUNITY INVESTMENT FUND

Treasury Administered is also responsible for the administration of the Community Investment Fund. The table below outlines the revenue and expense commitments of that Fund.

	2010-11 Est Act $'000	2011-12 Estimate $'000
Opening Cash Balance	***12,612***	***..***
Revenue		
8.5% of specific gaming taxes[1]	77,552	79,881
Proceeds from sale of authorities and club entitlements	1,487	3,800
Liquor licensing annual fees	18,475	18,937
Additional allocation of wagering taxes	20,000	21,000
Appropriation funding	26,968	23,760
Total Revenue	**144,482**	**147,378**
Expenses		
Gambling Community Benefit Fund	40,842	42,170
Casino Community Benefit Funds	6,717	6,935
Office of Liquor and Gaming Regulation	42,229	37,690
RSPCA[2]	6,023	..
Vision Australia[3]	1,700	..
Racing Industry Capital Development Scheme	20,000	21,000
Stadiums Queensland Debt Servicing	39,583	39,583
Total Expenses	**157,094**	**147,378**
Closing Cash Balance	**..**	**..**

Notes:
1. Represents 8.5% of wagering, casino, lotteries, keno and gaming machine tax.
2. A one-off grant to support the RSPCA's relocation to Wacol.
3. A one-off grant to support Vision Australia's relocation to Coorparoo.

DEPARTMENTAL STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Financial and economic policy				
Service standards				
Achievement of fiscal objectives as described in the Charter of Fiscal Responsibility		Partial	Partial	Partial
Other measures				
Quarterly report on financial position completed within six weeks of quarter end		4	4	4
Compliance with the Uniform Presentation Framework requirements and relevant Australian Accounting Standards for whole-of-government financial reporting		100%	100%	100%
Achievement of key milestones in the Budget process		100%	100%	100%
Achievement of key milestones in the Report on State Finances process		100%	100%	100%
Data provision to the Commonwealth Grants Commission and Australian Bureau of Statistics within agreed timeframes		100%	100%	100%
Total cost of portfolio resource allocation advice	1	Amended measure	$20.87 million	$22.15 million
State contribution ($000)	2	**168,895**	**75,963**	**55,762**
Other revenue ($000)	3	**3,257**	**133,090**	**1,735**
Total cost ($000)		**172,152**	**209,053**	**57,497**
Service Area: GOC performance and governance				
Service standards				
Cost of monitoring and governance per GOC		$0.3 million	$0.3 million	$0.3 million
Other measures				
Percentage of GOC Statements of Corporate Intent (SCI) completed by 30 June		95%	95%	95%
Percentage of quarterly performance monitoring reports completed within six weeks	4	Amended measure	100%	100%
State contribution ($000)	5	**5,797**	**5,327**	**6,200**
Other revenue ($000)	6	**613**	**4,107**	**1,519**
Total cost ($000)		**6,410**	**9,434**	**7,719**

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Economic and statistical research				
Service standards				
Stakeholder and client satisfaction with outputs (rated satisfied or very satisfied)		95%	95%	95%
Other measures				
Responses to requests for information	7	5,600	4,800	4,600
Formal products and services delivered to Treasury Office	8	150	75	75
Formal products and services delivered to other clients		400	400	400
Delivery of outputs within timeframes agreed with clients (excludes internet services)	9	90%	95%	95%
State contribution ($000)	10	**14,143**	**13,518**	**16,304**
Other revenue ($000)	11	**5,350**	**5,251**	**6,116**
Total cost ($000)		**19,493**	**18,769**	**22,420**
Service Area: Revenue management				
Service standards				
Client satisfaction with services provided		70%	70%	70%
Total revenue dollars administered per dollar expended – accrual	12	$154	$150	$218
Average overdue debt as a percentage of total revenue collected	13	3%	2%	1.4%
Other measures				
Amount of revenue, grants and subsidies administered	12	$9 billion	$8.7 billion	$12.7 billion
Number of First Home Owner Grant (FHOG) applications paid	14	23,750	15,720	16,785
FHOG applications processed within service standards		95%	95%	95%
Percentage of investigations performed within standards		90%	90%	90%
Percentage of lodgements and payments received electronically		70%	70%	70%
State contribution ($000)	15	**72,367**	**70,554**	**76,204**
Other revenue ($000)	16	**1,948**	**1,896**	**1,609**
Total cost ($000)		**74,315**	**72,450**	**77,813**

Notes:

1. The increase in the 2011-12 Target/estimate primarily relates to employee expenses as a result of the Enterprise Bargaining Agreement and the cost of work to be undertaken to independently assess regulatory savings identified by Government agencies.
2. The decrease in the 2010-11 Estimated actual is due to a change in the funding structure of the Commercial Transactions Team (CTT). The decrease in the 2011-12 Target/estimate is mainly due to the majority of the CTT related work being completed in 2010-11.

3. The increase in the 2010-11 Estimated actual and subsequent decrease in the 2011-12 Target/estimate are primarily due to the anticipated one-off reimbursements of costs incurred by the CTT in 2010-11.
4. This measure was amended to reflect the percentage of quarterly reports completed before the deadline.
5. The decrease in the 2010-11 Estimated actual is due to funding deferred to future years for strategic policy projects. The increase in the 2011-12 Target/estimate is primarily due to funding carried over for strategic policy projects and the impact of the Enterprise Bargaining Agreement.
6. The increase in the 2010-11 Estimated actual and subsequent decrease in the 2011-12 Target/estimate are mainly due to reimbursements from Government-owned corporations for costs relating to the Genco Review project.
7. The decreases in the 2010-11 Estimated actual and the 2011-12 Target/estimate are due to an increase in published statistical products, including new products in Queensland Regional Profiles, on Datahub and the Office of Economic and Statistical Research website which have resulted in fewer requests for information.
8. The decreases in the 2010-11 Estimated actual and the 2011-12 Target/estimate are a result of fewer than expected Treasury Office requests for products and services.
9. The increases in the 2010-11 Estimated actual and the 2011-12 Target/estimate are due to increased client satisfaction with timeliness of outputs.
10. The decrease in the 2010-11 Estimated actual is due to funding carried over to future years for the resource communities monitoring program. The increase in the 2011-12 Target/estimate is due to increased funding for the Enterprise Bargaining Agreement and the national 2011 Census of Population and Housing project.
11. The increase in the 2011-12 Target/estimate is due to an anticipated increase in survey activity.
12. The increase in the 2011-12 Target/estimate is due to the transfer of responsibility for royalty revenue collection from the Department of Employment, Economic Development and Innovation (DEEDI) to the Office of State Revenue (OSR).
13. The decrease in the 2010-11 Estimated actual is due mainly to the timing of assessments and associated debt recovery action. The further decrease in the 2011-12 Target/estimate is due to the transfer of responsibility for royalty revenue collection from DEEDI to OSR.
14. The decrease in the 2010-11 Estimated actual is due to a greater than expected reduction in applications following the finalisation of the Australian Government funded First Home Owner's Boost payments, tighter lending conditions in the housing market and the impact of natural disasters.
15. The decrease in the 2010-11 Estimated actual is primarily due to funding carried over to future years for work on the Revenue Management System (RMS). The increase in the 2011-12 Target/estimate is mainly due to funding carried over from previous years for the RMS and the impact of the Enterprise Bargaining Agreement.
16. The decrease in the 2011-12 Target/estimate is primarily due to completion of the build component of the Standard Business Reporting program and the movement to ongoing operational support.

INCOME STATEMENT

Treasury Department	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue	1	263,084	167,033	156,325
User charges	2	7,917	142,632	9,272
Grants and other contributions		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**271,001**	**309,665**	**165,597**
Expenses				
Employee expenses		98,451	96,355	97,580
Supplies and services	3	151,571	184,203	50,956
Grants and subsidies		..	..	..
Depreciation and amortisation	4	11,916	11,085	11,679
Finance/borrowing costs		..	..	..
Other expenses	5	9,063	18,022	5,382
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**271,001**	**309,665**	**165,597**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

STATEMENT OF CHANGES IN EQUITY

Treasury Department	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		..	..	..
Total recognised income and expense for the period		**..**	**..**	**..**
Equity injection/(withdrawal)	6	(9,094)	(8,563)	(3,852)
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**(9,094)**	**(8,563)**	**(3,852)**

BALANCE SHEET

Treasury Department	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	7	10,499	10,024	8,847
Receivables		5,823	5,760	5,760
Other financial assets		..	..	..
Inventories		..	..	..
Other		2,193	2,038	2,104
Non-financial assets held for sale		..	..	..
Total current assets		**18,515**	**17,822**	**16,711**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets	8	..	..	2,844
Property, plant and equipment	9	13,662	12,627	12,963
Intangibles	10	36,258	36,459	30,538
Other		..	..	..
Total non-current assets		**49,920**	**49,086**	**46,345**
TOTAL ASSETS		**68,435**	**66,908**	**63,056**
CURRENT LIABILITIES				
Payables		3,752	3,887	3,887
Accrued employee benefits	11	5,129	3,265	3,265
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		507	518	518
Total current liabilities		**9,388**	**7,670**	**7,670**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**9,388**	**7,670**	**7,670**
NET ASSETS/(LIABILITIES)		**59,047**	**59,238**	**55,386**
EQUITY				
Capital/contributed equity	12	24,858	24,365	20,513
Accumulated surplus/(accumulated deficit)		34,189	34,873	34,873
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**59,047**	**59,238**	**55,386**

CASH FLOW STATEMENT

Treasury Department	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts	13	263,084	174,787	156,325
User charges	14	7,917	163,612	9,272
Grants and other contributions		..	..	..
Other		..	..	..
Outflows:				
Employee costs		(98,451)	(95,396)	(97,580)
Supplies and services	15	(151,637)	(201,123)	(51,022)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other	16	(9,063)	(18,022)	(5,382)
Net cash provided by/(used in) operating activities		**11,850**	**23,858**	**11,613**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	17	(5,309)	(4,592)	(6,094)
Payments for investments	18	..	..	(2,844)
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(5,309)**	**(4,592)**	**(8,938)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	19	417	379	5,422
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	20	(9,511)	(8,942)	(9,274)
Net cash provided by/(used in) financing activities		**(9,094)**	**(8,563)**	**(3,852)**
Net increase/(decrease) in cash held		**(2,553)**	**10,703**	**(1,177)**
Cash at the beginning of financial year		**13,052**	**(679)**	**10,024**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**10,499**	**10,024**	**8,847**

ADMINISTERED INCOME STATEMENT

Treasury Department	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Revenues				
Commonwealth grants	21	15,703,914	16,893,013	17,229,869
Taxes, fees and fines	22	8,832,436	8,503,075	9,081,341
Health Services Levy	23	34,000	39,000	41,340
Royalties, property income and other territorial Revenue	24	192,668	191,698	3,509,930
Interest	25	3,409	30,356	29,216
Administered revenue	26	4,736,334	4,706,518	6,275,530
Other	27	4,397	68,081	332,643
Total revenues		**29,507,158**	**30,431,741**	**36,499,869**
Expenses				
Supplies and services		132,106	132,106	132,357
Depreciation and amortisation		..	..	..
Grants and subsidies	28	374,496	416,873	769,387
Benefit payments		..	..	..
Borrowing costs	29	1,104,736	1,099,173	1,580,532
Other	30	3,151,996	3,072,463	3,797,051
Total expenses		**4,763,334**	**4,720,615**	**6,279,327**
Net surplus or deficit before transfers to Government		**24,743,824**	**25,711,126**	**30,220,542**
Transfers of administered revenue to Government	31	**24,762,526**	**25,723,738**	**30,220,542**
OPERATING SURPLUS/(DEFICIT)	32	**(18,702)**	**(12,612)**	**..**

ADMINISTERED BALANCE SHEET

Treasury Department	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	33	259,264	386,829	184,356
Receivables	34	420,153	419,115	1,207,058
Inventories		..	..	..
Other		2,925	2,925	2,925
Non-financial assets held for sale		..	..	..
Total current assets		**682,342**	**808,869**	**1,394,339**
NON-CURRENT ASSETS				
Receivables	35	138,554	147,696	467,504
Other financial assets		..	..	..
Property, plant and equipment		..	..	..
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**138,554**	**147,696**	**467,504**
TOTAL ADMINISTERED ASSETS		**820,896**	**956,565**	**1,861,843**
CURRENT LIABILITIES				
Payables		34,484	34,564	34,564
Transfers to Government payable	36	161,983	162,467	949,244
Interest-bearing liabilities		10,787	10,837	11,199
Other		21,706	141,158	21,398
Total current liabilities		**228,960**	**349,026**	**1,016,405**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Interest-bearing liabilities	37	20,370,509	20,611,392	29,957,631
Other		..	..	..
Total non-current liabilities		**20,370,509**	**20,611,392**	**29,957,631**
TOTAL ADMINISTERED LIABILITIES		**20,599,469**	**20,960,418**	**30,974,036**
ADMINISTERED NET ASSETS/(LIABILITIES)		**(19,778,573)**	**(20,003,853)**	**(29,112,193)**
EQUITY				
Capital/Contributed equity	38	(19,765,966)	(20,009,545)	(29,117,885)
Accumulated surplus/(accumulated deficit)	39	(12,607)	5,692	5,692
Reserves:		..	..	..
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL ADMINISTERED EQUITY		**(19,778,573)**	**(20,003,853)**	**(29,112,193)**

ADMINISTERED CASH FLOW STATEMENT

Treasury Department	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Administered item receipts	40	4,736,334	4,654,670	6,275,530
Grants and other contributions	41	15,706,414	16,865,713	17,560,169
Taxes, fees and fines	42	8,813,578	8,529,976	9,060,996
Health services levy	43	34,000	39,000	41,340
Royalties, property income and other territorial revenues	44	192,668	182,598	3,387,013
Other	45	5,315	31,346	31,568
Outflows:				
Transfers to Government	46	(24,762,865)	(25,844,977)	(30,084,102)
Grants and subsidies	47	(374,496)	(423,433)	(769,387)
Supplies and services	48	(133,107)	(145,728)	(132,357)
Borrowing costs	49	(1,104,736)	(1,110,173)	(1,580,532)
Other	50	(3,133,138)	(3,003,634)	(3,901,503)
Net cash provided by/(used in) operating activities		**(20,033)**	**(224,642)**	**(111,265)**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed	51	7,123	56,765	7,293
Outflows:				
Payments for property, plant and equipment and intangibles		..	..	..
Payments for investments		..	..	..
Loans and advances made	52	785	(60,683)	(327,283)
Net cash provided by/(used in) investing activities		**7,908**	**(3,918)**	**(319,990)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings	53	7,511,132	9,746,232	9,468,132
Equity injections	54	436,086	8,864,965	286,770
Outflows:				
Borrowing redemptions	55	(3,424)	(8,299,583)	(122,854)
Finance lease payments		..	..	..
Equity withdrawals	56	(7,947,354)	(11,032,148)	(9,395,110)
Net cash provided by/(used in) financing activities		**(3,560)**	**(720,534)**	**236,938**
Net increase/(decrease) in cash held		**(15,685)**	**(949,094)**	**(194,317)**
Administered cash at beginning of financial year		**274,949**	**1,335,923**	**386,829**
Cash transfers from restructure	57	..	..	(8,156)
Administered cash at end of financial year		**259,264**	**386,829**	**184,356**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

1. The decrease in the 2010-11 Estimated actual is due to a change in the funding structure of the Commercial Transactions Team (CTT) and deferrals to future years for the roll out of the whole-of-Government Finance and Human Resource systems and other projects. Partially offsetting this is funding carried over from 2009-10 for CTT. The decrease in the 2011-12 Estimate is due to the majority of CTT related work being completed in 2010-11. Partially offsetting this is additional funding associated with the Enterprise Bargaining Agreement and the national 2011 Census of Population and Housing project and funding deferred from 2010-11 for projects.
2. The increase in the 2010-11 Estimated actual and subsequent decrease in the 2011-12 Estimate are due to the anticipated one-off reimbursement of costs incurred by CTT and reimbursement for costs associated with the Wiggins Island Coal Terminal project and Genco Review project during 2010-11. Refer to General Note below for a table detailing 2010-11 gross and net CTT costs.
3. The increase in the 2010-11 Estimated actual is primarily due to CTT costs deferred from 2009-10. Also contributing are costs associated with undertaking the Genco Review project. The decrease in the 2011-12 Estimate is primarily due to the majority of CTT related work being completed in 2010-11. Also contributing is the anticipated completion of the Genco Review project in September 2011. Refer to General Note below for a table detailing 2010-11 gross and net CTT costs.
4. The decrease in the 2010-11 Estimated actual is due to the re-lifing of the Revenue Management System (RMS).
5. The increase in the 2010-11 Estimated actual primarily relates to audit fees and advertising costs incurred by the CTT. The subsequent decrease in the 2011-12 Estimate is due mainly to the majority of CTT related work being completed in 2010-11. Partially offsetting this is advertising costs relating to the national 2011 Census of Population and Housing project. Refer to General Note below for a table detailing 2010-11 gross and net CTT costs.

Statement of changes in equity

6. The movement in the equity injection/(withdrawal) in the 2011-12 Estimate primarily relates to funding for the Queensland Government's investment in the national e-conveyancing body and the development of a royalties module in the RMS.

Balance sheet

7. The decrease in the 2011-12 Estimate is primarily due to cash reserves being used to fund capital expenditure.
8. The increase in the 2011-12 Estimate relates to the Queensland Government's investment in the national e-conveyancing body.
9. The decrease in the 2010-11 Estimated actual is mainly due to a reduced requirement for leasehold improvement work.
10. The decrease in the 2011-12 Estimate is primarily due to amortisation on the RMS, partially offset by additional capital expenditure on the development of a royalties module in the RMS to allow for electronic lodgement and payment.
11. The decrease in the 2010-11 Estimated actual is due to revised estimates based on past trends.
12. The decrease in the 2011-12 Estimate is mainly due to equity withdrawal of amortisation funding for the RMS. Partially offsetting this is the Queensland Government's investment in the national e-conveyancing body and equity injection for the development of a royalties module in the RMS.

Cash flow statement

13. The decrease in the 2010-11 Estimated actual is due to a change in the funding structure of the Commercial Transactions Team (CTT) and deferrals to future years for the roll out of the whole-of-Government Finance and Human Resource systems and other projects. Partially offsetting this is funding carried over from 2009-10 for CTT. The decrease in the 2011-12 Estimate is due to the majority of CTT related work being completed in 2010-11. Partially offsetting this is additional funding associated with the Enterprise Bargaining Agreement and the national 2011 Census of Population and Housing project and funding deferred from 2010-11 for projects.
14. The increase in the 2010-11 Estimated actual and subsequent decrease in the 2011-12 Estimate are due to inflows relating to the anticipated one-off reimbursement of costs incurred by CTT and reimbursement for costs associated with the Wiggins Island Coal Terminal project and Genco Review project during 2010-11.
15. The increase in the 2010-11 Estimated actual is primarily due to CTT costs deferred from 2009-10. Also contributing are costs associated with undertaking the Genco Review project. The decrease in the 2011-12 Estimate is primarily due to the majority of CTT related work being completed in 2010-11. Also contributing is the anticipated completion of the Genco Review project in September 2011.
16. The increase in the 2010-11 Estimated actual primarily relates to audit fees and advertising expenditure incurred by the CTT. The subsequent decrease in the 2011-12 Estimate is due mainly to the majority of CTT related work being completed in 2010-11. Partially offsetting this is advertising costs relating to the national 2011 Census of Population and Housing project.
17. The decrease in the 2010-11 Estimated actual is mainly due to a reduction in the requirement for leasehold improvement work. The subsequent increase in the 2011-12 Estimate primarily relates to the development of a royalties module in the RMS.
18. The 2011-12 Estimate relates to the Queensland Government's investment in the national e-conveyancing body.
19. The increase in the 2011-12 Estimate is primarily due to funding for the Queensland Government's investment in the national e-conveyancing body and funding for the development of a royalties module in the RMS.
20. Equity withdrawals mainly relate to the return of amortisation funding on the RMS.

Administered income statement

21. The increase in the 2010-11 Estimated actual is primarily due to the $2.05 billion advance Natural Disaster Relief and Recovery Arrangements (NDRRA) contribution from the Australian Government following the 2010-11 summer floods and cyclones, which is partially offset by a decrease in the Australian Government's estimate of the 2010-11 GST pool. The increase in the 2011-12 Estimate reflects an expected increase in GST.

22. The decrease in the 2010-11 Estimated actual is largely due to lower than expected property market activity, resulting in decreased taxation revenue from transfer duty. The increase in the 2011-12 Estimate is a result of increases in taxation revenue in line with economic growth.
23. The higher 2010-11 Estimated actual and 2011-12 Estimate reflect an increase in gaming machine activity in hotels.
24. The increase in the 2011-12 Estimate reflects the transfer of royalty collection responsibilities from the Department of Employment, Economic Development and Innovation (DEEDI) to the Office of State Revenue (OSR) on 1 July 2011.
25. The increase in the 2010-11 Estimated actual is due to the transfer of the collection of interest earned on accounts held under the *Property Agents and Motor Dealers Act 2000* from DEEDI to OSR.
26. Administered appropriation is received from the Consolidated Fund to fund administered expenses. Material changes in administered expenses are outlined in Notes 28, 29 and 30.
27. The increases in the 2010-11 Estimated actual and 2011-12 Estimate are a result of NDRRA capital grants received from the Queensland Reconstruction Authority (QRA) for on-lending to the Queensland Rural Adjustment Authority (QRAA) in relation to the 2010-11 summer floods and cyclones.
28. The increase in the 2010-11 Estimated actual primarily relates to transfer of cash received from the Australian Government to QRA for additional NDRRA loans relating to the 2010-11 summer floods and cyclones, partially offset by a decrease in First Home Owner Grant payments resulting from lower than expected housing market activity. The further increase in the 2011-12 Estimate relates to the temporary Queensland Building Boost Grant towards the construction or purchase of new homes and transfer of cash received from the Australian Government to QRA for additional NDRRA loans relating to the 2010-11 summer floods and cyclones.
29. The increase in the 2011-12 Estimate mainly relates to borrowings in support of the Government's capital works program.
30. The decrease in the 2010-11 Estimated actual mainly relates to the decrease in the State's share of superannuation beneficiary payments. The subsequent increase in the 2011-12 Estimate is due to an increase in the State's share of superannuation beneficiary payments and an increase in Annual Leave Central Scheme payments.
31. This represents revenues collected on behalf of the Queensland Government which are transferred to the Consolidated Fund. Material changes in administered revenues are outlined in Notes 21 to 25 and Note 27.
32. A general reduction in gambling and casino taxes has resulted in lower than expected revenue to the Community Investment Fund in 2010-11 resulting in Treasury Administered operating in deficit.

Administered balance sheet

33. Treasury, in its capacity as the manager of the State's finances, operates a bank account facility, including an overdraft, offset by the departmental cash holdings.
34. The increase in the 2011-12 Estimate reflects the transfer of royalty collection responsibilities from DEEDI to OSR.
35. The increases in the 2010-11 Estimated actual and the 2011-12 Estimate are primarily due to additional NDRRA loans made to QRAA relating to the 2010-11 summer floods and cyclones. The increase in the 2010-11 Estimate actual is partially offset by loan repayment received from QRAA during 2010-11.
36. The increase in the 2011-12 Estimate reflects the transfer of royalty collection responsibilities from DEEDI to OSR.
37. The increase in the 2011-12 Estimate relates to borrowings in support of the Government's capital works program.
38. Contributed equity primarily represents the net impact of the transfer from the Consolidated Fund for repayments of borrowings and transfer to the Consolidated Fund of proceeds of borrowings.
39. The increase in the 2010-11 Estimated actual reflects a lower than budgeted operating deficit in 2010-11.

Administered cash flow statement

40. Administered appropriation is received from the Consolidated Fund to fund administered expenses. Material changes in administered expenditures are outlined in Notes 47 to 50.
41. The increase in the 2010-11 Estimated actual is primarily due to the $2.05 billion advance Natural Disaster Relief and Recovery Arrangements (NDRRA) contribution from the Australian Government following the 2010-11 summer floods and cyclones, which is partially offset by a decrease in the Australian Government's estimate of the 2010-11 GST pool. The increase in the 2011-12 Estimate reflects an expected increase in GST.
42. The decrease in the 2010-11 Estimated actual is largely due to lower than expected property market activity, resulting in decreased taxation revenue from transfer duty. The increase in the 2011-12 Estimate is a result of increases in taxation revenue in line with economic growth.
43. The higher 2010-11 Estimated actual and 2011-12 Estimate reflect an increase in gaming machine activity in hotels.
44. The increase in the 2011-12 Estimate reflects the transfer of royalty collection responsibilities from DEEDI to OSR.
45. The increase in the 2010-11 Estimated actual is due to the transfer of the collection of interest earned on accounts held under the *Property Agents and Motor Dealers Act 2000* from DEEDI to OSR.
46. This represents revenues collected on behalf of the Queensland Government which are transferred to the Consolidated Fund. Material changes in administered revenue are outlined in Notes 41 to 45.
47. The increase in the 2010-11 Estimated actual primarily relates to transfer of cash received from the Australian Government to QRA for additional NDRRA loans relating to the 2010-11 summer floods and cyclones, partially offset by a decrease in First Home Owner Grant payments resulting from lower than expected housing market activity. The further increase in the 2011-12 Estimate relates to the temporary Queensland Building Boost Grant towards the construction or purchase of new homes and transfer of cash received from the Australian Government to QRA for additional NDRRA loans relating to the 2010-11 summer floods and cyclones.
48. The increase in the 2010-11 Estimated actual is mainly due to cash payments of 2009-10 payables during 2010-11.
49. The increase in the 2011-12 Estimate mainly relates to borrowings in support of the Government's capital works program.
50. The increase in the 2011-12 Estimate is due to an increase in the State's share of superannuation beneficiary payments and an increase in Annual Leave Central Scheme payments.
51. The increase in the 2010-11 Estimated actual reflects loan repayments received from QRAA during 2010-11.
52. The increases in the 2010-11 Estimated actual and the 2011-12 Estimate are primarily due to additional NDRRA loans made to QRAA relating to the 2010-11 summer floods and cyclones.
53. In its capacity as manager of the State's finances, Treasury expects to raise additional borrowings in 2010-11 and 2011-12 in support of the Government's capital works program.
54. The increase in the 2010-11 Estimated actual and subsequent decrease in the 2011-12 Estimate primarily relate to the transfer of net proceeds of asset sales from the Consolidated Fund for the repayment of borrowings during 2010-11.

55. The increase in the 2010-11 Estimated actual and subsequent decrease in the 2011-12 Estimate primarily relate to the transfer of net proceeds of asset sales from the Consolidated Fund for the repayment of borrowings during 2010-11.
56. The increase in the 2010-11 Estimate and the subsequent decrease in the 2011-12 Estimate primarily relate to the transfer to the Consolidated Fund of proceeds of borrowings.
57. Cash transfers from restructure in 2011-12 represents the cash to transfer from DEEDI as a result of the transfer of royalty collection responsibilities to OSR on 1 July 2011.

General Note - Costs of Asset Sale Transactions:

	2009-10 Actual $'000	2010-11 Est Act $'000	2011-12 Estimate $'000	Total $'000
Total expenses	56,005	165,163	4,483	225,651[1]
Expenses funded by business or shareholding agency[2]	18,005	126,987	..	144,992
Net Treasury expenses	38,000	38,176	4,483	80,659

Notes:
1. Total expenses of $226 million include $143 million for QR National, $25 million for Port of Brisbane, $16 million for Abbot Point Coal Terminal, $21 million for Queensland Motorways Limited and $21 million for Forestry Plantations Queensland.
2. Where appropriate, a portion of the costs of sale were met by the owner of the shares or the business itself.

Statutory Bodies

Motor Accident Insurance Commission/ Nominal Defendant

OVERVIEW

The Motor Accident Insurance Commission (MAIC) and the Nominal Defendant statutory bodies contribute to the motor accident insurance administration service. MAIC regulates and improves the Queensland Compulsory Third Party (CTP) insurance scheme and manages the Motor Accident Insurance and Nominal Defendant funds.

A key focus of this service is to maintain a viable CTP insurance scheme that is affordable to motor vehicle owners with the backing of a fully funded Nominal Defendant scheme for uninsured or unidentified motor vehicles.

MAIC, including the Nominal Defendant, contributes to the Government's *Toward Q2: Tomorrow's Queensland* ambitions in the following ways:

- Fair – *Supporting safe and caring communities* – by maintaining a viable CTP scheme balanced with reasonable and appropriate compensation to the injured
- Smart – *Delivering world class education and training* – by providing funds for research, education and service delivery in injury prevention and rehabilitation
- Healthy – *Making Queenslanders Australia's healthiest people* – by investing in research and service delivery to reduce the incidence of loss and the impact of trauma for people injured in motor vehicle accidents
- Strong ambition – *Creating a diverse economy powered by bright ideas* – by monitoring the financial stability of licensed CTP insurers and the Nominal Defendant to support the viability of Queensland's CTP scheme.

MAIC and the Nominal Defendant achieve these ambitions by:

- licensing, supervising and monitoring the financial strength of insurers' CTP operations
- setting premium bands and recommending scheme levies based on research and independent actuarial analyses
- promoting, assessing and, where appropriate, funding education and research activities to minimise injuries, mitigate the effects of motor vehicle accidents and monitor the provision of rehabilitation services.

The Nominal Defendant acts as a CTP insurer where damages are claimed for personal injury arising from the liability of unidentified and/or uninsured motor vehicles and meeting the cost of claims of an insolvent CTP insurer.

REVIEW OF PERFORMANCE

Recent achievements

Significant recent achievements included:

- using the results of actuarial analyses to consider the feasibility of a lifetime care and support scheme in CTP

- conducting a review of the CTP scheme underwriting model, and implementing changes to enhance the CTP scheme delivering annual savings of up to $24 to Queensland motor vehicle owners
- supporting Queensland motor vehicle owners by enabling quarterly premium payments for those in declared disaster areas.

Future developments

In 2011-12, MAIC will focus on the following major initiatives:

- improving information available to injured people that are eligible to make a claim under the *Motor Accident Insurance Act 1994*
- investing in systems upgrades to underpin more effective claims management processes and to support a strong and fully funded Nominal Defendant Scheme.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
Motor Accident Insurance Commission/Nominal Defendant		35	34	35

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

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Motor Accident Insurance Commission/Nominal Defendant				
Service standards				
Highest filed CTP premium for Class 1 vehicles (sedans and wagons) as a percentage of average weekly earnings	1	New measure	<45%	<45%
CTP levy funds expended on grants per registered vehicle	2	$0.52	$0.43	$0.48
Percentage of the Nominal Defendant claims finalised compared to the number outstanding at the start of the financial year		50%	50%	50%
Other measures				
Setting of premium bands within legislated timeframes		100%	100%	100%
Recommendation to the Treasurer of annual CTP levies by legislated timeframes		100%	100%	100%
Percentage of Nominal Defendant claims settled within two years of compliance		50%	52%	50%
Percentage of Nominal Defendant claims with General Damages paid within 60 days of the settlement date	3	95%	85%	95%
State contribution ($000)		**..**	**..**	**..**
Other revenue ($000)	4	**113,397**	**148,208**	**107,700**
Total cost ($000)	5	**69,658**	**27,894**	**74,172**

Notes:
1. This new measure will help MAIC track affordability and measure the effectiveness of the Queensland CTP scheme. As prescribed under the *Motor Accident Insurance Act 1994*, the affordability index is 45% of average weekly earnings.
2. The decrease in the 2010-11 Estimated actual is primarily due to an increase in the Commission's operating expenses and a decrease in the estimated number of registered vehicles for 2010-11.
3. The decrease in the 2010-11 Estimated actual is due to delays in obtaining final settlement clearances from external agencies. Current work practices are being reviewed in order to achieve target in future.

4. The increase in the 2010-11 Estimated actual is due to a higher than forecast rate of return on QIC investments. The subsequent decrease in the 2011-12 Target/estimate is due to a forecast return to long run average returns on investments held with QIC.
5. The decrease in the 2010-11 Estimated actual is due to the receipt of FAI-Tail dividends. The subsequent increase in the 2011-12 Target/estimate is due to no FAI-Tail dividends forecast to be received.

INCOME STATEMENT

Motor Accident Insurance Commission	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue		..	..	..
User charges		..	..	..
Grants and other contributions		..	..	..
Other revenue	1	14,283	23,488	19,991
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**14,283**	**23,488**	**19,991**
Expenses				
Employee expenses		2,540	2,385	2,588
Supplies and services	2	1,813	1,940	2,205
Grants and subsidies		6,000	6,000	6,200
Depreciation and amortisation		40	40	7
Finance/borrowing costs		..	..	..
Other expenses		136	163	163
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**10,529**	**10,528**	**11,163**
OPERATING SURPLUS/(DEFICIT)	3	**3,754**	**12,960**	**8,828**

STATEMENT OF CHANGES IN EQUITY

Motor Accident Insurance Commission	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		3,754	12,960	8,828
Total recognised income and expense for the period		**3,754**	**12,960**	**8,828**
Equity injection/(withdrawal)	4	..	57,818	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**3,754**	**70,778**	**8,828**

BALANCE SHEET

Motor Accident Insurance Commission	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets		1,000	1,348	1,000
Receivables		232	139	139
Other financial assets	5	40,086	106,871	116,074
Inventories		..	..	..
Other		..	17	17
Non-financial assets held for sale		..	..	..
Total current assets		**41,318**	**108,375**	**117,230**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		10,500	10,500	10,500
Property, plant and equipment		99	85	78
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**10,599**	**10,585**	**10,578**
TOTAL ASSETS		**51,917**	**118,960**	**127,808**
CURRENT LIABILITIES				
Payables	6	513	1,628	1,634
Accrued employee benefits	7	..	199	212
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**513**	**1,827**	**1,846**
NON-CURRENT LIABILITIES				
Payables	8	53	..	..
Accrued employee benefits	7	..	31	32
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**53**	**31**	**32**
TOTAL LIABILITIES		**566**	**1,858**	**1,878**
NET ASSETS/(LIABILITIES)		**51,351**	**117,102**	**125,930**
EQUITY				
Capital/contributed equity	9	..	57,818	57,818
Accumulated surplus/(accumulated deficit)	10	35,451	42,784	51,612
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (Income maintenance & grants reserve)		15,900	16,500	16,500
TOTAL EQUITY		**51,351**	**117,102**	**125,930**

CASH FLOW STATEMENT

Motor Accident Insurance Commission	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts		..	..	..
User charges		..	..	..
Grants and other contributions		..	..	..
Other	11	14,283	23,488	19,991
Outflows:				
Employee costs		(2,527)	(2,372)	(2,574)
Supplies and services	12	(1,806)	(1,933)	(2,199)
Grants and subsidies		(6,000)	(6,000)	(6,200)
Borrowing costs		..	..	..
Other		(136)	(163)	(163)
Net cash provided by/(used in) operating activities		**3,814**	**13,020**	**8,855**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		(55)	(55)	..
Payments for investments	13	(3,759)	(70,783)	(9,203)
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(3,814)**	**(70,838)**	**(9,203)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	14	..	57,818	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**..**	**57,818**	**..**
Net increase/(decrease) in cash held		**..**	**..**	**(348)**
Cash at the beginning of financial year		**1,000**	**1,348**	**1,348**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**1,000**	**1,348**	**1,000**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

1. The increase in the 2010-11 Estimated actual is due to a higher than forecast rate of return on QIC investments. The subsequent decrease in the 2011-12 Estimate is due to a forecast return to long run average returns on investments held with QIC.
2. The increase in the 2011-12 Estimate is mainly due to an increase in QIC management fees as a result of higher than forecast returns on QIC investments.
3. The increase in the 2010-11 Estimated actual is due to higher than forecast rates of return on QIC investments. The subsequent decrease in the 2011-12 Estimate is due to a forecast return to long run average returns on investments held with QIC.

Statement of changes in equity

4. The 2010-11 Estimated actual relates to the Nominal Defendant transferring $57.818 million back to the Motor Accident Insurance Commission. These funds were transferred from the Motor Accident Insurance Commission to the Nominal Defendant Fund on 22 January 2002 to be applied to outstanding claims liabilities arising from the insolvency of FAI General Insurance Company Limited. As funds received from the liquidator exceed the Deed of Indemnity to Nominal Defendant for the assumed HIH CTP liability, the Nominal Defendant is transferring the $57.818 million back to the Motor Accident Insurance Commission.

Balance sheet

5. The increase in the 2010-11 Estimated actual relates to the Nominal Defendant transferring $57.818 million back to the Motor Accident Insurance Commission and an increase in returns from investments in QIC. The further increase in the 2011-12 Estimate reflects returns on QIC investments. Refer to Note 4 for more detail.
6. The increase in the 2010-11 Estimated actual reflects a higher expected closing balance based on prior year trends.
7. The increase in the 2010-11 Estimated actual is due to a reclassification of accrued employee benefits previously disclosed as payables.
8. The decrease in the 2010-11 Estimated actual is due to a reclassification of accrued employee benefits previously disclosed as payables.
9. The increase in the 2010-11 Estimated actual is due to the Nominal Defendant transferring $57.818 million back to the Motor Accident Insurance Commission. Refer to Note 4 for more detail.
10. The increase in the 2010-11 Estimated actual and 2011-12 Estimate reflects positive returns on QIC investments.

Cash flow statement

11. The increase in the 2010-11 Estimated actual is due to a higher than forecast rate of return on QIC investments. The subsequent decrease in the 2011-12 Estimate is due to a forecast return to long run average returns on investments held with QIC.
12. The increase in the 2011-12 Estimate is mainly due to an increase in QIC management fees as a result of higher than forecast returns on QIC investments.
13. The increase in the 2010-11 Estimated actual is due to higher than expected returns from QIC investments and the investing of $57.818 million transferred back from the Nominal Defendant.
14. The increase in the 2010-11 Estimated actual is a result of the Nominal Defendant transferring $57.818 million back to the Motor Accident Insurance Commission. Refer to Note 4 for more detail.

INCOME STATEMENT

Nominal Defendant	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue		..	..	..
User charges		..	..	..
Grants and other contributions		..	..	..
Other revenue	1	99,114	124,720	87,709
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**99,114**	**124,720**	**87,709**
Expenses				
Employee expenses		1,140	1,124	1,250
Supplies and services	2	57,957	57,295	61,699
Grants and subsidies		..	..	..
Depreciation and amortisation		4	18	18
Finance/borrowing costs		..	..	..
Other expenses	3	28	(41,071)	42
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**59,129**	**17,366**	**63,009**
OPERATING SURPLUS/(DEFICIT)	4	**39,985**	**107,354**	**24,700**

STATEMENT OF CHANGES IN EQUITY

Nominal Defendant	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		39,985	107,354	24,700
Total recognised income and expense for the period		**39,985**	**107,354**	**24,700**
Equity injection/(withdrawal)	5	..	(57,818)	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**39,985**	**49,536**	**24,700**

BALANCE SHEET

Nominal Defendant	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets		2,000	2,000	2,000
Receivables	6	197	2,902	2,916
Other financial assets	7	87,665	186,444	196,444
Inventories		..	..	..
Other		..	7	7
Non-financial assets held for sale		..	..	..
Total current assets		**89,862**	**191,353**	**201,367**
NON-CURRENT ASSETS				
Receivables	8	..	6,275	6,275
Other financial assets	9	433,167	332,145	359,999
Property, plant and equipment		39	34	29
Intangibles		..	13	..
Other		..	..	..
Total non-current assets		**433,206**	**338,467**	**366,303**
TOTAL ASSETS		**523,068**	**529,820**	**567,670**
CURRENT LIABILITIES				
Payables		461	280	282
Accrued employee benefits	10	..	85	88
Interest-bearing liabilities and derivatives		..	..	..
Provisions		44,704	42,796	45,802
Other	11	30,707	25,276	23,390
Total current liabilities		**75,872**	**68,437**	**69,562**
NON-CURRENT LIABILITIES				
Payables		18	..	..
Accrued employee benefits	10	..	14	15
Interest-bearing liabilities and derivatives		..	..	..
Provisions		178,816	171,184	183,208
Other		..	..	..
Total non-current liabilities		**178,834**	**171,198**	**183,223**
TOTAL LIABILITIES		**254,706**	**239,635**	**252,785**
NET ASSETS/(LIABILITIES)		**268,362**	**290,185**	**314,885**
EQUITY				
Capital/contributed equity	12	58,037	121	121
Accumulated surplus/(accumulated deficit)	13	210,325	290,064	314,764
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**268,362**	**290,185**	**314,885**

CASH FLOW STATEMENT

Nominal Defendant	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts		..	..	..
User charges		..	..	..
Grants and other contributions		..	..	..
Other	14	100,009	141,734	85,809
Outflows:				
Employee costs		(1,135)	(1,119)	(1,246)
Supplies and services		(57,955)	(57,293)	(61,697)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other	15	16,572	43,262	14,988
Net cash provided by/(used in) operating activities		**57,491**	**126,584**	**37,854**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		(20)	(20)	..
Payments for investments	16	(57,471)	(69,164)	(37,854)
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(57,491)**	**(69,184)**	**(37,854)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	17	..	(57,818)	..
Net cash provided by/(used in) financing activities		**..**	**(57,818)**	**..**
Net increase/(decrease) in cash held		**..**	**(418)**	**..**
Cash at the beginning of financial year		**2,000**	**2,418**	**2,000**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**2,000**	**2,000**	**2,000**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

1. The increase in the 2010-11 Estimated actual is due to a higher than forecast rate of return on QIC investments. The subsequent decrease in the 2011-12 Estimate is due to a forecast return to long run average returns on investments held with QIC.
2. The increase in the 2011-12 Estimate is a result of projected increase in Nominal Defendant claims costs and movement in outstanding claims provision.
3. The decrease in the 2010-11 Estimated actual is a result of FAI-Tail dividends received. The increase in the 2011-12 Estimate is due to no FAI-Tail dividends forecast to be received in 2011-12.
4. The increase in the 2010-11 Estimated actual is due to higher than forecast rates of return on QIC investments and unbudgeted FAI-Tail dividends. The decrease in the 2011-12 Estimate is due a forecast return to long run average returns on investments held with QIC and no FAI-Tail dividends forecast to be received.

Statement of changes in equity

5. The decrease in the 2010-11 Estimated actual is a result of the Nominal Defendant transferring $57.818 million back to the Motor Accident Insurance Commission. These funds were transferred from the Motor Accident Insurance Commission to the Nominal Defendant Fund on 22 January 2002 to be applied to outstanding claims liabilities arising from the insolvency of FAI General Insurance Company Limited. As funds received from the liquidator exceed the Deed of Indemnity to Nominal Defendant for the assumed HIH CTP liability, the Nominal Defendant is transferring the $57.818 million back to the Motor Accident Insurance Commission.

Balance sheet

6. The increase in the 2010-11 Estimated actual is a result of increased FAI-Tail Sharing receivables.
7. The increase in the 2010-11 Estimated actual is due to a reclassification of the current/non current investments to align with the apportionment of the Nominal Defendant outstanding claims provision.
8. The increase in the 2010-11 Estimated actual is due to reinsurance recoveries receivables.
9. The decrease in the 2010-11 Estimated actual is mainly due to a reclassification of the current/non current investments to align with the apportionment of the Nominal Defendant outstanding claims provision as per external audit advice.
10. The increase in the 2010-11 Estimated actual is due to a reclassification of accrued employee benefits previously included in payables.
11. The decrease in the 2010-11 Estimated actual and further decrease in the 2011-12 Estimate is due to the abolition of the FAI/HIH Levy from 1 October 2010.
12. The decrease in the 2010-11 Estimated actual relates to the Nominal Defendant transferring $57.818 million back to the Motor Accident Insurance Commission. Refer to Note 5 for more detail.
13. The increase in the 2010-11 Estimated actual and the further increase in the 2011-12 Estimate reflects positive returns on QIC investments.

Cash flow statement

14. The increase in the 2010-11 Estimated actual is due to a higher than forecast rate of return on QIC investments. The subsequent decrease in the 2011-12 Estimate is due to a forecast return to long run average returns on investments held with QIC.
15. The increase in the 2010-11 Estimated actual is a result of FAI-Tail dividends received. The subsequent decrease in the 2011-12 Estimate is due to no FAI-Tail dividends forecast to be received and a forecast decrease in the FAI-Tail claims.
16. The increase in the 2010-11 Estimated actual is due to higher than forecast rate of return on QIC investments. The subsequent decrease in the 2011-12 Estimate is due to a forecast return to long run average returns on investments held with QIC.
17. The increase in the 2010-11 Estimated actual is a result of the Nominal Defendant transferring $57.818 million back to the Motor Accident Insurance Commission. Refer to Note 5 for more detail.

Queensland Future Growth Corporation

OVERVIEW

The Queensland Future Growth Corporation was created as a corporation sole under the *Future Growth Fund Act 2006* to administer the Queensland Future Growth Fund (the Fund).

The Fund supports initiatives and infrastructure benefiting Queensland by:
- providing funding for infrastructure projects that support the State's growth, particularly in transport, housing, water and commercial infrastructure
- supplying funds to research and develop innovative technologies that address climate change and proactively advance the State's environmental sustainability.

In doing so, the Fund directly contributes to the Government's *Toward Q2: Tomorrow's Queensland* Strong ambition – *creating a diverse economy powered by bright ideas*.

REVIEW OF PERFORMANCE

Recent achievements

Significant recent achievements include allocating an estimated $404.7 million toward water and transport infrastructure, clean coal technology, climate change and Smart State projects and social housing stock in 2010-11. The Fund also benefited from reinjecting interest earnings on the fund balance.

The Queensland Government has recently decided that interest earnings retained by the Queensland Future Growth Fund that have not been previously allocated will be utilised to fund infrastructure associated with the Flying Start initiative.

Future developments

The Fund will continue to contribute to key priorities with an estimated $167.4 million allocated to projects in 2011-12. As part of the 2011-12 Budget, the Government has decided to allocate the bulk of the remaining funds to the education infrastructure required for the Year 7 Flying Start initiative ($328.2 million) and the continuation of Smart State initiatives ($85 million).

Queensland Future Growth Fund projects	Total allocation $'000	Actual funding to 30 June 2010 $'000	2010-11 Budget $'000	2010-11 Est. Act. $'000	2011-12 Estimate $'000	Post 2011-12 $'000
Transport infrastructure[1]	541,700	449,400	70,400	20,800	4,600	66,900
Water infrastructure	1,000,000	835,900	73,400	164,100	..	..
Clean coal technology	200,000	115,600	4,700	16,400	12,500	55,500
Climate change projects	175,000	18,600	43,200	38,400	40,700	77,300
Smart State projects	211,000	27,500	80,900	75,000	43,500	65,000
Commercial infrastructure including Government-owned corporations[1]	500,000	500,000	..	..	..	..
Social housing stock	500,000	350,000	90,000	90,000	60,000	..
Education Infrastructure	328,200	..	..	..	6,100	322,100
Total[2]	**3,455,900**	**2,297,000**	**362,600**	**404,700**	**167,400**	**586,800**

Notes:
1. Transport infrastructure includes the Mount Isa rail line project which has been re-allocated from Commercial infrastructure.
2. Includes retained earnings of the Fund that had not been allocated previously.

STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Queensland future growth corporation				
Other measures				
Fund administered in accordance with government guidelines		100%	100%	100%
Allocation of funds to projects within the intended scope of the Fund		100%	100%	100%
Provision of funding in accordance with project cash flow		100%	100%	100%
State contribution ($000)		**..**	**..**	**..**
Other revenue ($000)	1	**38,391**	**46,373**	**32,679**
Total cost ($000)		**..**	**..**	**..**

Note:
1. This reflects forecast interest earnings on the Fund balance. The decrease in interest earnings is due to a reduced fund balance in 2011-12 as funds are allocated to projects.

INCOME STATEMENT

Queensland Future Growth Corporation	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue		..	..	..
User charges		..	..	..
Grants and other contributions		..	..	..
Other revenue	1	38,391	46,373	32,679
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**38,391**	**46,373**	**32,679**
Expenses				
Employee expenses		..	..	..
Supplies and services		..	..	..
Grants and subsidies		..	..	..
Depreciation and amortisation		..	..	..
Finance/borrowing costs		..	..	..
Other expenses		..	..	..
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**..**	**..**	**..**
OPERATING SURPLUS/(DEFICIT)		**38,391**	**46,373**	**32,679**

STATEMENT OF CHANGES IN EQUITY

Queensland Future Growth Corporation	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		38,391	46,373	32,679
Total recognised income and expense for the period		**38,391**	**46,373**	**32,679**
Equity injection/(withdrawal)		(362,637)	(404,682)	(167,340)
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**(324,246)**	**(358,309)**	**(134,661)**

BALANCE SHEET

Queensland Future Growth Corporation	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets		783,380	752,391	617,730
Receivables	2	..	11,043	11,043
Other financial assets		..	..	..
Inventories		..	..	..
Other		..	..	..
Non-financial assets held for sale		..	..	..
Total current assets		**783,380**	**763,434**	**628,773**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		..	..	..
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**..**	**..**	**..**
TOTAL ASSETS		**783,380**	**763,434**	**628,773**
CURRENT LIABILITIES				
Payables		..	14	14
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**..**	**14**	**14**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**..**	**14**	**14**
NET ASSETS/(LIABILITIES)		**783,380**	**763,420**	**628,759**
EQUITY				
Capital/contributed equity	3	403,892	372,421	205,081
Accumulated surplus/(accumulated deficit)		379,488	390,999	423,678
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**783,380**	**763,420**	**628,759**

CASH FLOW STATEMENT

Queensland Future Growth Corporation	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts		..	..	..
User charges		..	..	..
Grants and other contributions		..	..	..
Other	4	38,391	46,373	32,679
Outflows:				
Employee costs		..	..	..
Supplies and services		..	..	..
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		..	..	..
Net cash provided by/(used in) operating activities		**38,391**	**46,373**	**32,679**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**..**	**..**	**..**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	5	(362,637)	(404,682)	(167,340)
Net cash provided by/(used in) financing activities		**(362,637)**	**(404,682)**	**(167,340)**
Net increase/(decrease) in cash held		**(324,246)**	**(358,309)**	**(134,661)**
Cash at the beginning of financial year		**1,107,626**	**1,110,700**	**752,391**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**783,380**	**752,391**	**617,730**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

1. This reflects forecast interest earnings on the Fund balance. The decrease in interest earnings is due to a reduced fund balance in 2011-12 as funds are allocated to projects.

Balance sheet

2. The increase reflects interest receivable on cash balances.
3. The decrease reflects the drawdown of funds provided to agencies for expenditure on Queensland Future Growth Fund projects.

Cash flow statement

4. This reflects forecast interest earnings on the Fund balance. The decrease in interest earnings is due to a reduced fund balance in 2011-12 as funds are allocated to projects.
5. This reflects the drawdown of funds provided to agencies for expenditure on Queensland Future Growth Fund projects.

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PART 6

Department of Health

Summary of departmental portfolio budgets

Page	Agency	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
1-151	Department of Health - controlled	9,990,242	10,556,291	11,046,410
	Department of Health - administered	25,005	25,295	25,316
1-178	Health Quality and Complaints Commission	9,843	10,170	10,154
1-186	Queensland Institute of Medical Research	77,109	75,093	82,240

Note:
1. Explanations of variances are provided in the financial statements

DEPARTMENTAL OVERVIEW

MINISTERIAL RESPONSIBILITY

The Minister for Health is responsible for Queensland Health and a number of statutory bodies including the Queensland Institute of Medical Research and the Health Quality and Complaints Commission.

STRATEGIC ISSUES

Queensland Health's purpose is to provide safe, sustainable, efficient, quality and responsive health services for all Queenslanders. To achieve this, the *Queensland Health Strategic Plan 2011-15* outlines five strategic priorities which confirm Queensland Health's continuing commitment to meeting the *Toward Q2: Tomorrow's Queensland* ambition of Healthy – *Making Queenslanders Australia's healthiest people* and its targets of:

- *Cut by one-third obesity, smoking, heavy drinking and unsafe sun exposure*
- *Shortest public hospital waiting times in Australia*

Queensland Health also contributes to achieving the other *Toward Q2* ambitions and the challenges articulated in *Advancing Health Action* (2008).

Queensland Health's strategic priorities are:

- *Effective and efficient health promotion, illness prevention and early intervention* with a focus on increasing action for the promotion and protection of the health of all Queenslanders and the prevention of ill health by supporting healthy behaviours and lifestyle choices, improving access to cancer screening programs, managing preventable environmental health hazards, preventing and controlling communicable diseases and maintaining vaccination rates
- *Access to quality services delivered in the right way, at the right place and at the right time* by addressing the challenges of meeting the healthcare needs of Queenslanders across the spectrum of care through increased services available in the primary care setting, expansion of hospital and related services, including oral and mental health services to meet the needs of a growing population and improving patient care, safety and patient outcomes
- *Improve the equity of health outcomes* by providing greater access to health services for specific population groups most at risk including closing the gap in health outcomes for Indigenous Queenslanders and improving access and health outcomes for rural and remote Queenslanders, people from culturally and linguistically diverse backgrounds and Queenslanders from disadvantaged socio-economic backgrounds
- *Create a sustainable, proactive and continually improving health system* by implementing health reforms to improve sustainability, encourage innovation and evidence-based improvements in service models, increasing the availability and use of technology to improve the efficiency, effectiveness and quality of health services and developing and maintaining systems to assess and monitor quality outcomes and provide feedback to health professionals, service providers, the community and governments
- *A sustainable and high quality workforce to meet future health needs* by identifying and developing leadership at all levels in the organisation, building and maintaining a positive and safe workplace culture and building positive and productive relationships with stakeholders and partners to develop a flexible workforce that ensures a productive and sustainable workplace.

To address key strategic risks, Queensland Health will continue to promote the adoption of healthy behaviours; monitor the capacity to manage the growing demand for services and maintaining building and ICT infrastructure within the economic and financial environment; attracting and retaining skilled staff to meet the needs of the service; increase access; and address barriers to developing coordinated and effective care between health sectors.

The Queensland Government, in partnership with the Australian Government, is reforming the way our health services will be managed and delivered in the future. There will be significant changes to the governance and funding of the health system in Queensland linked to the changes agreed by the Council of Australian Governments since April 2010. The reforms are intended to position the health system to meet future challenges including responding to increased demand associated with a growing and ageing population.

The establishment of 17 Local Health and Hospital Networks (LHHNs) by 1 July 2012 is a significant part of these reforms. Under LHHNs, more decision-making will be devolved to the local level, with LHHNs responsible for the delivery of public hospital and health services.

Benefits arising from the reforms include:
- enhanced engagement with consumers, community and clinicians leading to services that are more responsive to local needs and priorities
- the introduction of national standards and performance reporting to promote greater transparency and accountability in health service management
- skills-based Governing Councils to drive continuous service improvement at the network level
- the introduction of funding linked to the level of activity and to a nationally efficient price, which will drive efficiency across the system, with Queensland introducing an activity based funding model from 1 July 2011 in advance of establishing LHHNs
- a stronger focus on the development of comprehensive primary health care services and improved individual and community health outcomes.

Preparation for the transition from the existing Health Service Districts to LHHNs is underway with the drafting of legislation to enable the establishment of LHHNs in Queensland.

2011-12 HIGHLIGHTS

In 2011-12 Queensland Health's budget will grow to $11.046 billion, an increase of 10.6% on the 2010-11 budget. The department will also be investing $1.820 billion in health infrastructure projects in 2011-12.

In 2009-10 Queensland Health was allocated $675.6 million over five years under the *National Partnership Agreement (NPA) on Improving Public Hospital Services* to support increased access to elective surgery, reduce emergency department (ED) waiting times and enhance sub-acute care services, in line with the targets set out in the NPA. The following projects received formal approval through the NPA to proceed:
- increased investment of $70.4 million operational funding and $47.1 million capital funding for Logan Hospital to expand ED services and improve patient flow including meeting the needs of paediatric patients and their families

- a significant boost of $61.5 million operational funding and $22 million capital funding to expand the ED at the Queen Elizabeth II Jubilee (QEII) Hospital to deliver a brand new ED with 8 short stay beds, a 12 chair transit lounge; a new endoscopy unit with two procedural rooms, recovery and admissions area; and 10 palliative care beds
- $61 million increased funding over four years to continue the Surgery Connect Program which enables the treatment of elective surgery patients who have been waiting longer than clinically recommended
- $40 million increased funding over four years to redesign clinical services with a focus on ED access and treatment times to deliver the best evidence based models of care that are safe, effective, well coordinated and easy to deliver
- $26.5 million operational funding and $7.3 million capital funding to improve paediatric services at Caboolture and Redcliffe Hospitals. This includes additional same day and short stay beds to improve paediatric patient flow through the ED, an improved paediatric ED waiting area, additional paediatric outpatient clinics and consultation rooms
- $6.1 million operational funding and $3 million capital funding for Toowoomba Hospital to improve functionality and patient flows through upgrades to the ED and four additional short stay beds.

Mental Health Natural Disaster Recovery: $12.6 million additional funding in 2011-12 ($37.8 million over two years) provided by the Queensland and Australian Governments under the National Disaster Relief and Recovery Arrangements (NDRRA) for the recruitment of 126 community mental health staff over the next two years to provide specialist mental health support in the areas significantly affected by the recent natural disasters. These staff will work in Mental Health Trauma Recovery Services (MHTRS), providing specialist counselling and therapy services to assist those experiencing severe psychological trauma as a result of the natural disasters.

Natural Disaster Relief and Recovery Supplementation: $18.1 million total funding over two years provided by the Queensland and Australian Governments under the NDRRA to replace and repair equipment and repair damage to a number of Queensland Health facilities caused by the recent natural disasters. Some of the repairs required include roof replacements, internal walls, fire panel rectification and replacement of air conditioners.

Regional Priority Round funding: $7 million additional funding in 2011-12 ($97.7 million over five years) is provided by the Australian Government under the Health and Hospitals Fund Regional Priority Round to construct mental health community care units in Nambour, Bundaberg, Rockhampton and Toowoomba; develop regional inpatient mental health services in Bundaberg, Hervey Bay, Toowoomba and Maryborough; and construct new procedure centres at Townsville Hospital and Cairns Base Hospital.

NPA on Improving Mental Health: $4.3 million additional funding in 2011-12 ($31.6 million over four years) is provided by the Australian Government to enhance mental health services including accommodation, EDs and community based crisis support. The final funding allocation is subject to negotiation with states on the NPA and will be based on a competitive process.

More Beds for Hospitals: Queensland Health is committed to increasing services and the number of beds available to Queensland's growing population. To achieve this Queensland has committed to opening more than 1,700 beds and 250 ED treatment spaces between 2009-10 and 2015-16 at various locations across Queensland including the Prince Charles, Townsville, Nambour, Robina, Rockhampton and Bundaberg Hospitals. In 2011-12, it is expected that Queensland Health will deliver over 350 bed and bed alternatives and more than 30 ED treatment spaces across a range of Queensland Health facilities.

Jamie's Ministry of Food Australia: Up to $2.5 million over four years from 2010-11 has been reallocated to support the delivery of the Jamie's Ministry of Food program. The program is delivered through the Jamie's Ministry of Food Cooking Centre based in Ipswich and a mobile Food Truck that will visit Queenslanders in their communities and schools to conduct demonstrations and cooking classes.

RECENT ACHIEVEMENTS

The commitment made by the Government in 2009 to recruit an additional 3,500 doctors, nurses and allied health professionals by 2012 and the subsequent 2010 commitment to recruit a further 1,200 doctors, nurses and allied health professionals has been exceeded with the recruitment of more than 4,700 extra clinical staff since 2009.

Funding in 2010-11 enabled Queensland Health to progress a range of initiatives including:

Cancer Centres: Queensland and Australian Government investment in Regional Cancer Centres enabled:

- the commencement of planning for the Townsville Regional Cancer Centre and the expanded day treatment service at Mt Isa
- planning for the Toowoomba Centre to commence. This expansion of oncology services will increase the number of treatment spaces and inpatient beds in Toowoomba with outreach services to be provided by the Princess Alexandra Hospital
- planning to progress on the new Rockhampton Regional Cancer Centre which will be located in the new ward block and will be an integrated service with the Royal Brisbane and Women's Hospital
- the commencement of detailed planning and design in Hervey Bay and Bundaberg to enable the increase of beds and day treatment spaces.

Mental Health Stigma Campaign: Development of the $8.5 million mental health stigma campaign is underway with formative research completed and concept testing commenced. In April 2011, the campaign effort was temporarily refocused to support Queenslanders affected by the recent natural disasters.

Children's Hearing Services: Investment in children's hearing services enabled:

- an additional 22 publicly provided cochlear implants and surgery per year from 2010-11 doubling (from 22 to 44) the number of cochlear implants for children
- expanded early intervention services so that Queensland children receive appropriate and timely follow-up therapy to ensure their speech and language outcomes are optimised
- development of culturally appropriate, evidence-based community programs in Northern Queensland for Aboriginal and Torres Strait Islander children to receive enhanced access to therapy services

- Hear and Say Centre to receive additional funding to provide ongoing support for auditory-verbal therapy services for children with a hearing loss who have either cochlear implants or hearing aids. Additional funding is also available for the Hear and Say Centre to assist with the acquisition of new premises
- appropriate assessment and therapy for children with hearing aids which supports the communication development of children with additional disabilities.

James Cook University Dental School Training Facilities: $22 million was provided in 2010-11 to support construction of a 60 chair dental clinic on the James Cook University Cairns campus. Construction of the building is expected to be completed in time to facilitate clinical requirements for fourth year students in 2012.

Persistent Pain Strategy: Implementation of the *Statewide Persistent Pain Health Services Strategy* commenced with the development of service delivery models and recruitment to key positions within the four pilot sites including Gold Coast, Metro South, Sunshine Coast and Townsville Health Service Districts.

DEPARTMENTAL SERVICES

Queensland Health reports service delivery under six service areas that reflect the department's planning priorities and support investment decision-making across the health continuum. Our service areas are:

Prevention, Promotion and Protection

This service area aims to prevent illness and injury, actively promote and protect the good health and wellbeing of Queenslanders and reduce the health status gap between the most and least advantaged in the community. This service area is directed at the entire well population or specific sub populations rather than individual treatment and care, using a range of strategies such as disease control, regulation, social marketing, community development and screening.

Primary Health Care

This service area addresses health problems or established risk factors of individuals and small targeted groups providing curative, promotive, preventative and rehabilitative services. Although primary health care services are largely provided by General Practitioners or other non-government health care providers, Queensland Health, through multidisciplinary teams of healthcare professionals, provides a range of primary health care services that include early detection and intervention services and risk factor management programs through community health facilities, child health centres and dental clinics.

Ambulatory Care

This service area aims to provide equitable access to quality emergency medical services provided in public hospital EDs and services provided through Queensland's public hospital outpatient departments including a range of pre-admission, post acute and other specialist medical, allied health, nursing and ancillary services.

Acute Care

This service area aims to increase equity of access to high quality acute hospital services on a Statewide basis and includes the provision of medical, surgical and obstetric services to people treated as acute admitted patients in Queensland's public acute hospitals.

Rehabilitation and Extended Care

This service area predominantly targets the needs of people with prolonged conditions and chronic consequences. The goal is to improve the functional status of a patient with an impairment or disability, slow the progression of and assist them to maintain and better manage their health condition. It includes rehabilitation, palliative care, respite, psychogeriatric, geriatric evaluation and management, residential aged care services, residential services for young people with physical and intellectual disabilities, and it also includes extended care services that focus on maintaining a person's health and current functional status.

Integrated Mental Health Services

This service area spans the health continuum through the provision of mental health promotion and prevention activities (including suicide prevention strategies), community-based services, acute inpatient services and extended treatment services. Mental health reform is guided by the *Fourth National Mental Health Plan* and the *Queensland Plan for Mental Health 2007-2017.* The aim of mental health services is to promote the mental health of the community, prevent the development of mental health problems where possible, and to provide timely access to assessment and treatment services.

STAFFING[1]

Service areas[2,3]	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
Services				
Prevention, Promotion and Protection		3,420	2,582	2,584
Primary Health Care		2,810	4,403	4,464
Ambulatory Care		12,990	12,591	12,758
Acute Care		32,604	34,032	34,101
Rehabilitation and Extended Care		4,907	6,863	7,059
Integrated Mental Health Services		6,307	6,639	6,767
Total		**63,038**	**67,110**	**67,733**

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate FTEs and Queensland Health Shared Service Provider FTEs are allocated across the services to which they relate.
3. Subsequent to the production of the 2010-11 Service Delivery Statement, a review of the recognition of expenditure across Services has had a flow through effect on the recognition of FTEs across Services. The total 2010-11 Estimated actual FTE did not change. The review increased the 2010-11 Estimated actual FTE for Primary Health Care and Rehabilitation and Extended Care. These increases were offset by decreases in Prevention, Promotion and Protection, Ambulatory Care, Acute Care and Integrated Mental Health Services.

2011-12 SERVICE SUMMARY[1]

Service areas	Total cost $'000	Sources of revenue			
		State Contribution[2] $'000	User charges $'000	C'wealth revenue $'000	Other revenue $'000
Prevention, Promotion and Protection	500,715	259,043	23,219	211,915	6,538
Primary Health Care	627,103	538,005	2,285	84,322	2,491
Ambulatory Care	2,218,148	1,507,617	132,192	567,010	11,329
Acute Care	5,790,634	3,725,780	614,257	1,417,076	33,521
Rehabilitation and Extended Care	959,081	490,221	44,645	335,086	89,129
Integrated Mental Health Services	950,729	611,784	20,868	314,257	3,820
Total	**11,046,410**	**7,132,450**	**837,466**	**2,929,666**	**146,828**

Notes:
1. Explanations of variances are provided in the financial statements.
2. Amounts shown as State Contribution may not reconcile to Service Revenue in the financial statements. Service Revenue includes payments from the Australian Government where the majority of Commonwealth payments are made directly to consolidated funds. Departments receive the payments through Service Revenue or Equity Injection.

DEPARTMENTAL STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Prevention, Promotion and Protection				
Service standards				
Percentage of the Queensland population who consume recommended amounts of fruits and vegetables	1	9%	6.5%	7.5%
Percentage of the Queensland population who engage in levels of physical activity for health benefit:	1			
• Persons		56%	58.2%	61.1%
• Male		New	63.3%	66.0%
• Female		measure	53.2%	56.3%
Percentage of the Queensland population who are overweight or obese:	1,2	New measure		
• Persons			58.0%	58.1%
• Male			66.2%	65.9%
• Female			50.0%	50.1%
Percentage of the Queensland population who consume alcohol at risky and high risk levels:	1,2			
• Persons		11%	13.3%	12.2%
• Male		New	13.6%	13.0%
• Female		measure	13.1%	11.4%
Percentage of the Queensland population who smoke daily:	1,2			
• Persons		15%	14.2%	13.6%
• Male		New	16.4%	15.4%
• Female		measure	12.2%	12.0%
Percentage of the Queensland population who were sunburnt on the previous weekend	1,2	New measure		
• Persons			6.5%	6.0%
• Male			8.7%	..
• Female			4.3%	..
Percentage of the Queensland population who adopt ultraviolet (UV) protective behaviors	1			
• Persons		96%	..	..
• Male		New	..	..
• Female		measure	..	..
Percentage of invasive cancers detected through BreastScreen Queensland that are small (<15mm) in diameter	5	60.8%	63.7%	62%

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
New notifications of HIV infection	4	190	227	237
Vaccination rates at designated milestones for:				
• all children aged 2 years		92%	92.8%	92%
• Aboriginal and Torres Strait Islander children aged 2 years		92%	93.0%	92%
• Year 8 female students for Human Papilloma Virus (HPV)	3	75%	64.4%	75%
Fall related hospitalisations for older people (aged over 65 years) in Queensland:				
• Percentage		2.8%	2.5%	2.5%
• Number		14,076	13,793	14,306
Other measures				
Percentage of target population screened for:				
• breast cancer	6	57.5%	58.3%	57.5%
• cervical cancer	7	60.0%	58.9%	57.6%
• bowel cancer	8	41.4%	..	37.0%
Percentage of Queensland population, meeting the requirements of the *Water Fluoridation Act 2008*, that receive fluoridated water from reticulated water supplies		84%	82%	87%
Number of high risk complaints investigated and the risk controlled	9,10	865	..	..
State contribution ($000)		**293,481**	**253,600**	**259,043**
Other revenue ($000)		**218,446**	**223,956**	**241,672**
Total cost ($000)	51,52	**511,927**	**477,556**	**500,715**
Service Area: Primary Health Care				
Service standards				
Number and age standardised rate of potentially preventable admitted patient episodes of care:	11			
• Non-Aboriginal and Torres Strait Islander patients		No: 125,000 Rate: 27	122,105 27.2	113,059 25
• Aboriginal and Torres Strait Islander patients		No: 7,577 Rate: 81.1	8,030 76.1	7,795 69.7
Percentage of women who, during their pregnancy were smoking after 20 weeks:				
• Non-Aboriginal and Torres Strait Islander patients		12.5%	11.9%	11%
• Aboriginal and Torres Strait Islander patients	12	46%	47.2%	43.0%
Other measures				
Number of calls to 13 HEALTH (information and teletriage service)	13,14	283,000	250,685	283,000

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Percentage of calls to 13 HEALTH (information and teletriage service) answered within 20 seconds	13	80%	83%	80%
Number of children and adolescents oral health weighted occasions of service (0-15 years)	15,16,17	New measure	1,200,000	1,200,000
Number of adult oral health weighted occasions of service (ages 16+)	15,16,17	1,900,000 – 2,000,000	1,750,000	1,800,00 – 2,000,000
State contribution ($000)		**486,539**	**534,127**	**538,005**
Other revenue ($000)		**80,729**	**81,654**	**89,098**
Total cost ($000)	51,52	**567,268**	**615,781**	**627,103**
Service Area: Ambulatory Care				
Service standards				
Percentage of patients attending emergency departments seen within recommended timeframes:	2,18			
• Category 1 (immediate)	19	100%	100%	100%
• Category 2 (within 10 minutes)		80%	78%	80%
• Category 3 (within 30 minutes)	20	75%	57%	75%
• Category 4 (within 1 hour)	21	70%	63%	70%
• Category 5 (within 2 hours)		70%	87%	70%
• All categories	22	New measure	64%	..
Median wait time for treatment in emergency departments (minutes)	2,18,23	New measure	25	..
Percentage of live born, low birth weight babies born to:	24	New measure		
• Non-Aboriginal and Torres Strait Islander women			6.1%	5.8%
• Aboriginal and Torres Strait Islander women			10.4%	9.4%
Other measures				
Total number of non-admitted occasions of service (including emergency services):	25,26	10,500,000 - 11,000,000	11,196,200	11,500,000 - 12,000,000
• Emergency services			1,651,787	
• Specialty clinics			3,333,852	
• Diagnostic and outreach services			6,210,561	
Total non-admitted weighted activity units:	27,28	250,000 – 275,000	253,437	250,000 – 275,000
• Emergency services			29,540	
• Specialty clinics			212,754	
• Diagnostic and outreach services			11,143	

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Percentage of women who gave birth and had 5 antenatal visits or more in the antenatal period:	12			
• Non-Aboriginal and Torres Strait Islander women		92.5%	92.3%	92.5%
• Aboriginal and Torres Strait Islander women		84.5%	77.7%	89.3%
State contribution ($000)		**1,340,058**	**1,466,239**	**1,507,617**
Other revenue ($000)		**650,221**	**652,668**	**710,531**
Total cost ($000)	51,52	**1,990,279**	**2,118,907**	**2,218,148**
Service Area: Acute Care				
Service standards				
Percentage of patients admitted from emergency departments within 8 hours	18,29,30	80%	60%	80%
Percentage of admitted patients discharged against medical advice:				
• Non-Aboriginal and Torres Strait Islander patients		1.0%	0.8%	0.8%
• Aboriginal and Torres Strait Islander patients		2.48%	2.05%	2.2%
Median wait time for elective surgery (days):	2,23,31	New measure		
• Category 1 (30 days)	32		12	..
• Category 2 (90 days)			49	..
• Category 3 (365 days)			82	..
• All categories			28	..
Number of days waited at the 90th percentile for elective surgery:	31,33,34			
• Category 1 (30 days)		30	35	30
• Category 2 (90 days)		90	149	90
• Category 3 (365 days)		365	339	365
Percentage of elective surgery patients seen within clinically recommended timeframes	2,31,35	New Measure	83%	95%
Average cost per weighted activity unit for acute admitted patients	27	$5,000 - $5,300	$5,050	$5,000 - $5,300
Other measures				
Acute admitted patient episodes of care		900,000 – 950,000	922,469	950,000 – 980,000
Acute admitted patient weighted activity units	27,28	850,000 – 880,000	853,903	850,000 – 900,000
Patient Days		2,500,000 – 2,900,000	2,601,067	2,600,000 – 2,800,000

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Number of available bed and available bed alternatives for public acute hospitals	36	10,700 – 10,750	10,643	10,970 - 11,020
State contribution ($000)		**3,285,505**	**3,639,686**	**3,725,780**
Other revenue ($000)		**1,893,661**	**1,915,848**	**2,064,854**
Total cost ($000)	51,52	**5,179,166**	**5,555,534**	**5,790,634**
Service Area: Rehabilitation and Extended Care				
Service standards				
Average number of public hospital beds occupied each day by nursing home type patients		375	401	375
Average cost per weighted activity unit for sub and non acute patients	27,28	$5,400 - $5,700	$5,460	$5,500 - $5,800
Other measures				
Sub and non acute patient days (including Maintenance care, Rehabilitation and Palliative Care)	37,38	520,000 – 530,000	501,732	525,000 – 535,000
Sub and non acute weighted activity units	27,28	100,000 – 120,000	104,123	100,000 – 120,000
Number of State Government Residential Aged Care Facilities and services meeting National Accreditation Standards		20	20	20
State contribution ($000)		**439,164**	**475,532**	**490,221**
Other revenue ($000)		**412,414**	**419,118**	**468,860**
Total cost ($000)	51,52	**851,578**	**894,650**	**959,081**
Service Area: Integrated Mental Health Services				
Service standards				
Re-admission rate to acute psychiatric care within 28 days of discharge	39,40	15% - 20%	16.1%	15% - 20%
Other measures				
Mental health acute admitted patient episodes of care	41,42	14,000 – 15,000	15,130	14,000 – 15,000
Mental health acute admitted psychiatric care days	42,43	190,000 – 200,000	200,040	190,000 – 200,000
Mental health extended treatment accrued mental health care days	44,45	190,000 – 200,000	182,616	190,000 – 200,000
Weighted activity units for mental health acute admitted patient episodes of care	27,28, 53	60,000 – 75,000	52,685	50,000 - 60,000
Mental health patients accessing community mental health care	46,47	75,000 – 80,000	72,277	70,000 – 75,000

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Community mental health occasions of service	46,48	850,000 – 950,000	953,082	950,000 – 1,050,000
Rate of community follow-up within 7 days post-discharge from acute inpatient care	49,50	50% - 60%	50.4%	55% - 60%
State contribution ($000)		**581,036**	**581,244**	**611,784**
Other revenue ($000)		**308,988**	**312,619**	**338,945**
Total cost ($000)	51,52	**890,024**	**893,863**	**950,729**

Notes:

1. 2010-11 Estimated actual based on an interim data set. The 2011 collection was substantially delayed due to flood and cyclone events in Queensland during 2010-11. As a result of this delay and unforseen technical issues, data is based on 50% of the total sample. The survey was not designed to provide an interim data set and thus reporting on such may introduce variation from final estimates. Data for the UV protective behaviour measures could not be provided at this stage. Actual data will be provided in Queensland Health's 2010-11 Annual Report.
2. Queensland Health is the lead department for the *Toward Q2: Tomorrow's Queensland* Healthy – Preventable diseases and Healthy – Hospital waiting times targets. For further information on these *Toward Q2: Tomorrow's Queensland* target measures and their contributing departments, please refer to the Target Delivery Plans found on the www.TowardQ2.qld.gov.au website.
3. The recommended schedule for HPV vaccines is a 3 dose series. The HPV vaccinations are administered as part of the School Based Vaccination Program and reported via Queensland Health's Vaccination Information and Vaccination Administration System (VIVAS). Data is calculated using the number of Year 8 female students vaccinated as a proportion of the number of Year 8 female students enrolled. Based on previous years data, uptake decreased with each successive dose.
4. The 2010-11 Estimated actual and 2011-12 Target/estimate are higher than previous years due to a continued rise in HIV notifications. A similar trend of rising notifications of HIV has also been observed in other states in Australia and in other developed countries. Since 2004, the rate of newly diagnosed cases of HIV in Europe reported per 100,000 population, has increased by almost 30%, from 6.6 per 100,000 population in 2004, to 8.5 per 100,000 in 2009.
5. The percentage of small in diameter (<15mm) invasive cancers detected through BreastScreen Queensland is a indicator of the Program's success. The 2010-11 Estimated actual figure relates to the most recent period for which data is available (2009-10 financial year).
6. The 2010-11 Estimated actual figure relates to the most recent period for which data is available (Jan 2008– Dec 2009). There has been an increase in the participation rate from 57.5% for the period Jan 2007 to Dec 2008 to 58.3% for the period Jan 2008 to Dec 2009. This increase can be attributed in part to the positive impact of the social marketing campaign and the recruitment of radiographer staff.
7. The 2010-11 Estimated actual figure relates to the most recent period data is available and reported (Jan 2008– Dec 2009). The decrease in the 2010-11 Estimated actual compared to the 2010-11 Target/estimate mirrors a decrease in the national screening participation rate. The 2011-12 Target/estimate relates to the next reporting period (Jan 2009 – Dec 2010).
8. The 2010-11 Estimated actual figure relates to the participation rate for the 2009 calendar year. The most recent period data is available and reported by the AIHW is the 2008 calendar year, hence the 2010-11 Estimated actual cannot be reported at this time. The 2010-11 Estimated actual is projected to be lower than targeted due to the inclusion of 50 year olds whose response rate is lower than 55 and 65 year olds and because the National Bowel Cancer Screening Program was suspended for 6 months in 2009 due to a fault with the Faecal Occult Blood Test (FOBT) kit. Replacement FOBT kits were issued from November 2009 and the potential impact of this remediation on participation rates are unclear. The 2011-12 Target/estimate will relate to invitations issued in the 2010 calendar year. It is expected that the remediation may lead to a lower participation rate in the 2010 calendar year, hence the 2011-12 Target/estimate has been reduced to reflect this. 2010-11 actual data will be included in the 2010-11 Annual report.
9. The Estimated actual figure for 2010-11 is unavailable due to sanctioned industrial action between October and December 2010 and due to delays caused by the cyclones and floods in Queensland during 2010-11.
10. Queensland Health has no control over the number of high risk complaints received, therefore it is not appropriate to set a target for this service standard.
11. The number of potentially preventable admitted patient episodes of care has decreased due to a change in the Australian Coding Standards from 1 July 2010, which resulted in a change to the recording of diabetes. Age-standardised rates are calculated per 1,000 population.
12. Annual targets have been set to align with the National Partnership Agreement for Closing the Gap in Indigenous Health Outcomes by 2033-34.
13. Data is based on actual calls to 13 HEALTH for the period July 2010 to March 2011 with projections for the remaining three months of data.
14. Queensland Health has no control over the actual level of calls to 13HEALTH, however usage is promoted through a range of advertising mediums and public awareness strategies. There were no specific marketing campaigns for the program between July 2010 and February 2011.
15. Service delivery issues currently affecting oral health services relate to compliance with changes in occupational health and safety standards, patient safety and quality requirements, infection control and sterilisation protocols, models of service delivery and information system requirements. These service delivery issues have contributed to the 2010-11 Target/estimate not being met for adult weighted occasions of service (WOOS).

16. Reporting on WOOS during 2010-11 was significantly impacted by sanctioned industrial action from September to December 2010 that involved some oral health staff declining to enter appointment and/or treatment information into the oral health information system. This action resulted in incomplete service data during this period.
17. The 2011-12 Target/estimate has been revised to reflect the ongoing impact of the service delivery issues referenced in note 15 above.
18. 2010-11 Estimated actual data is preliminary and represents 1 July 2010 to 28 February 2011 only, with projections for the remaining four months of data. Includes data from 27 Queensland emergency department reporting hospitals, which represents approximately 80% of all emergency activity in Queensland.
19. The 2011-12 Target/estimate based on the clinically recommended times for treatment specified by the Australasian College for Emergency Medicine (ACEM) and applied nationally as a performance benchmark.
20. The 2010-11 Estimated actual is consistent with performance in previous years. 2011-12 Target/estimate aligns with ACEM clinically recommended times.
21. The 2010-11 Estimated actual is consistent with performance in previous years and has improved slightly from the 62% in 2009-10. 2011-12 Target/estimate to remain as it is consistent with ACEM clinically recommended times.
22. A target is not included for this service standard as there is no national benchmark for all triage categories, however the service standard has been included (without a target) as it is a nationally used standard measure.
23. A target is not included for this service standard as there is no national benchmark at the 50th percentile, however the service standard has been included (without a target) as it is a nationally used standard measure.
24. Low birthweight is defined as liveborn singleton babies weighing less than 2,500 grams.
25. 2010-11 Estimated actual data is preliminary and involves estimation.
26. Occasions of service is defined as an occasion of examination, consultation, treatment or other service provided to a non-admitted patient in a functional health service facility.
27. Activity Based Funding (ABF) defines activity in terms of a single measure called a Weighted Activity Unit (WAU). A WAU provides a common unit of comparison between the variable components of ABF, so that all activity can be measured consistently. It is a measure of the relative value of care provided to patients, across various treatment types (including acute inpatient, ED, outpatient services, sub-acute care and renal dialysis).
    Actual comparisons between WAUs reported in different years are impacted by changes in the scope of the ABF (i.e. which services are funded under ABF) and factors which may alter the cost weight of a particular type of service. For example, advances in models of care, drugs and technology used in a particular treatment may mean that the cost weight of that treatment increases or decreases relative to the average costs of service provision. Hence a change in the number of WAUs may not be directly related to a change in the volume of services provided and may reflect technical adjustments to the model.
    2010-11 Estimated actual WAUs and 2011-12 Target/estimate are all expressed in 2010-11 WAUs to ensure comparability. However, these estimates and targets are not directly comparable to WAU estimates and targets in Statements for previous years.
28. 2010-11 Estimated actuals have been extrapolated based on data for the first seven months of the 2010-11 year, assuming same proportion of the full year's activity as the first eight months of the 2009-10 financial year.
29. There is no national benchmark for this standard; however a target has been set to align with Queensland's goal to improve access to admitted patient services through the Patient Flow Strategy.
30. The result is consistent with performance in previous years. Although Queensland is not currently achieving the target, it has remained for 2011-12 because Queensland is still attempting to achieve this target.
31. 2010-11 Estimated actual data is preliminary and represents 1 July 2010 to 31 January 2011 only, with projections for the remaining five months of data. Includes data from 32 Queensland elective surgery reporting hospitals, which represents approximately 95% of all elective surgery activity in Queensland.
32. A decline in performance for category 2 patients was expected as Queensland Health focused more on treating the longest waiting patients. Treating the 'long wait' patients results in an increase in the median waiting time for treatment. It is anticipated that the median wait time will improve in 2011-12.
33. Targets have been set according to the clinically recommended waiting time for each category.
34. In 2010-11, Queensland focussed on reducing 'long wait' category 2 patients by almost half between 1 January 2010 and 1 January 2011. Treating the 'long wait' patient results in an increase in the 90th percentile waiting time for treatment. The 90th percentile wait is expected to improve in 2011-12.
35. 2010-11 Estimated actual data is preliminary and represents 1 July 2010 to 28 February 2011 only and includes data from 32 Queensland elective surgery reporting hospitals. Target has been set according to the NPA on Improving Public Hospital target which aims for 95% of elective surgery patients treated within clinically recommended timeframes by the end of 2015.
36. Estimated actual for 2010-11 is below the 2010-11 Target/estimate reflecting some delays in the More Beds for Hospitals Program and the decommissioning of some beds, largely in small hospitals including in areas with declining population growth.
37. There has been an increased trend in the provision of non-admitted subacute services including home based sub-acute rehabilitation and palliative care which are not recorded under this service area.
38. The 2010-11 Target/estimate was not achieved as the number of subacute services available were reduced as a result of the natural disasters in 2010-11.
39. To be in scope the initial admitted patient episode of care must (a) occur in a general acute mental health inpatient unit, (b) involve an overnight or longer stay, and (c) the episode must not end with discharge or transfer. A readmission is defined as a subsequent overnight or longer episode for the patient in general acute mental health inpatient unit of the original hospital that begins within 28 days of the original discharge. Episodes involving stays in general acute mental health inpatient units in addition to other specialised mental health inpatient units are excluded.
40. 2010-11 Estimated actual calculated on a pro rata basis using available data (July to October 2010).
41. Mental health acute admitted patient episodes of care are defined as the total number of completed overnight separations from general acute mental health inpatient unit(s) occurring within the reference period.
42. 2010-11 Estimated actual calculated on a pro-rata basis using available date (July to December 2010). Episodes in which the patient was admitted and discharged on the same day and episodes involving stays in general acute mental health inpatient units in addition to other specialised mental health inpatient units are excluded.
43. Mental health acute admitted psychiatric care days are defined as the total number of patient days in the general acute mental health inpatient unit(s) accounted for by completed overnight formal separations during the reference period.

44. Refers to the total number of admitted patient care days provided in a specialised mental health extended treatment units within the reference period.
45. 2010-11 Estimated actual calculated pro rata using available data (July to February 2011). This data excludes a small number of psychogeriatric and mental health acquired brain injury extended treatment beds that do not report accrued patient day data to the Monthly Activity Collection.
46. Community mental health care refers to specialist mental health care provided by community mental health services and hospital-based ambulatory care services.
47. 2010-11 Estimated actual calculated on a pro-rata basis using data trends for the period November 2008 to December 2010.
48. A community mental health occasion of service refers to the provision of a clinically significant service by a mental health service provider for a particular consumer which results in a dated entry being made in the consumer's clinical record. Contact is provided by community mental health services (including those provided by hospital-based ambulatory services).
49. This refers to the number of separations from the mental health service organisation's acute mental health inpatient unit(s) for which a public sector community mental health service contact (in which the consumer participated) was recorded in the seven days immediately following that separation.
50. 2010-11 Estimated actual calculated on a pro rata basis using available data (July to December 2010).
51. Subsequent to the production of the 2010-11 Service Delivery Statement, a review of the recognition of revenue across Services was performed. The review has resulted in a decrease in Prevention, Promotion and Protection, Rehabilitation and Extended Care, and Integrated Mental Health Services, and an increase across the other Services.
52. The totals may not add due to rounding.
53. The Estimated actual WAUs for 2010-11 are below the target due to the methodology which does not account for the significant number of patients awaiting separation from extended treatment services.

INCOME STATEMENT

Department of Health	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue	1,8,15	9,092,426	9,491,844	9,935,644
User charges	2,9	645,561	775,537	837,466
Grants and other contributions	3,16	223,080	259,785	243,447
Other revenue		29,175	29,125	29,853
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**9,990,242**	**10,556,291**	**11,046,410**
Expenses				
Employee expenses	4,10,17	6,475,188	6,809,181	7,121,860
Supplies and services	5,11,18	2,379,089	2,420,891	2,537,106
Grants and subsidies	6,12,19	676,522	857,605	866,225
Depreciation and amortisation	13,20	370,232	370,232	420,040
Finance/borrowing costs		..	..	..
Other expenses	7,14	87,211	96,382	99,179
Losses on sale/revaluation of property, plant and equipment and investments		2,000	2,000	2,000
Total expenses		**9,990,242**	**10,556,291**	**11,046,410**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

STATEMENT OF CHANGES IN EQUITY

Department of Health	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve	21,24	117,538	126,968	133,650
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**117,538**	**126,968**	**133,650**
Surplus/(deficit) for the period		..	..	..
Total recognised income and expense for the period		**117,538**	**126,968**	**133,650**
Equity injection/(withdrawal)	22,25,26	1,180,280	825,066	1,235,133
Equity adjustments (MoG transfers)	23	..	57,466	..
Total movement in equity for period		**1,297,818**	**1,009,500**	**1,368,783**

BALANCE SHEET

Department of Health	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	27,41,55	144,628	154,205	149,050
Receivables	28,42	303,793	359,417	362,474
Other financial assets		..	..	..
Inventories		123,556	121,708	123,229
Other	29,43	69,856	84,767	84,790
Non-financial assets held for sale		..	..	..
Total current assets		**641,833**	**720,097**	**719,543**
NON-CURRENT ASSETS				
Receivables		14,673	14,284	13,829
Other financial assets	30,44,56	40,519	67,331	95,312
Property, plant and equipment	31,45,57	7,705,143	7,144,564	8,617,514
Intangibles	32,46,58	116,493	105,733	150,948
Other	33,47	13,140	8,022	8,022
Total non-current assets		**7,889,968**	**7,339,934**	**8,885,625**
TOTAL ASSETS		**8,531,801**	**8,060,031**	**9,605,168**
CURRENT LIABILITIES				
Payables	34,48,59	282,049	310,561	323,621
Accrued employee benefits	35,49,60	216,959	332,190	357,395
Interest-bearing liabilities and derivatives	36,50,61	70,151	44,016	120,787
Provisions		..	..	..
Other	37,51	8,947	878	878
Total current liabilities		**578,106**	**687,645**	**802,681**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives	38,52,62	32,573	49,419	110,862
Provisions		..	..	..
Other		1,651	2,492	2,367
Total non-current liabilities		**34,224**	**51,911**	**113,229**
TOTAL LIABILITIES		**612,330**	**739,556**	**915,910**
NET ASSETS/(LIABILITIES)		**7,919,471**	**7,320,475**	**8,689,258**
EQUITY				
Capital/contributed equity	39,53,63	3,990,256	3,642,410	4,877,543
Accumulated surplus/(accumulated deficit)		2,393,543	2,397,181	2,397,181
Reserves:				
- Asset revaluation surplus	40,54,64	1,535,672	1,280,884	1,414,534
- Other (specify)		..	..	..
TOTAL EQUITY		**7,919,471**	**7,320,475**	**8,689,258**

CASH FLOW STATEMENT

Department of Health	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts	65,80,93	9,092,426	9,522,057	9,935,644
User charges	66,81	633,544	830,795	822,348
Grants and other contributions	67,94	223,080	259,785	243,447
GST Input tax credits received	68,82	165,874	305,581	305,581
Other		28,699	28,649	29,377
Outflows:				
Employee costs	69,83,95	(6,474,983)	(6,783,976)	(7,096,655)
Supplies and services	70,84,96	(2,380,017)	(2,492,527)	(2,538,799)
GST paid on purchases	71,85	(166,233)	(305,940)	(305,940)
Grants and subsidies	72,86	(676,522)	(857,605)	(866,225)
Borrowing costs		..	..	..
Other	73,87	(62,789)	(68,527)	(70,891)
Net cash provided by/(used in) operating activities		**383,079**	**438,292**	**457,887**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment	74	..	1,758	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment	75,88,97	(1,584,242)	(1,126,919)	(1,741,431)
Payments for intangibles	98	(25,928)	(27,810)	(67,123)
Payments for investments	76,89	(13,990)	(32,644)	(27,981)
Loans and advances made		(309)	(309)	(309)
Net cash provided by/(used in) investing activities		**(1,624,469)**	**(1,185,924)**	**(1,836,844)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings	77,90,99	70,151	61,916	138,669
Equity injections	78,91,100	1,389,584	1,034,370	1,494,241
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	79,92,101	(209,304)	(227,517)	(259,108)
Net cash provided by/(used in) financing activities		**1,250,431**	**868,769**	**1,373,802**
Net increase/(decrease) in cash held		**9,041**	**121,137**	**(5,155)**
Cash at the beginning of financial year		**135,587**	**33,068**	**154,205**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**144,628**	**154,205**	**149,050**

ADMINISTERED INCOME STATEMENT

Department of Health	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Revenues				
Commonwealth grants		..	..	..
Taxes, fees and fines		50	50	50
Royalties, property income and other territorial Revenue		..	..	..
Interest		..	..	..
Administered revenue	102,104	24,998	25,288	25,309
Other		..	..	..
Total revenues		**25,048**	**25,338**	**25,359**
Expenses				
Supplies and services		..	..	..
Depreciation and amortisation				
Grants and subsidies	103,105,107	17,896	18,212	18,760
Benefit payments		..	..	..
Borrowing costs	106,108	7,102	7,076	6,549
Other		7	7	7
Total expenses		**25,005**	**25,295**	**25,316**
Net surplus or deficit before transfers to Government		**43**	**43**	**43**
Transfers of administered revenue to Government		**43**	**43**	**43**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

ADMINISTERED BALANCE SHEET

Department of Health	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets		78	12	12
Receivables	109,111	7,802	8,329	8,329
Inventories				
Other		..	..	..
Non-financial assets held for sale		..	..	..
Total current assets		**7,880**	**8,341**	**8,341**
NON-CURRENT ASSETS				
Receivables	112,115	96,503	95,990	87,128
Other financial assets		..	..	..
Property, plant and equipment		..	..	..
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**96,503**	**95,990**	**87,128**
TOTAL ADMINISTERED ASSETS		**104,383**	**104,331**	**95,469**
CURRENT LIABILITIES				
Payables		..	..	..
Transfers to Government payable		97	42	42
Interest-bearing liabilities	110,113	7,783	8,299	8,299
Other		..	..	..
Total current liabilities		**7,880**	**8,341**	**8,341**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Interest-bearing liabilities	114,116	96,503	95,990	87,128
Other		..	..	..
Total non-current liabilities		**96,503**	**95,990**	**87,128**
TOTAL ADMINISTERED LIABILITIES		**104,383**	**104,331**	**95,469**
ADMINISTERED NET ASSETS/(LIABILITIES)		**..**	**..**	**..**
EQUITY				
Capital/Contributed equity		..	..	..
Accumulated surplus/(Accumulated deficit)		..	..	..
Reserves:		..	..	..
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL ADMINISTERED EQUITY		**..**	**..**	**..**

ADMINISTERED CASH FLOW STATEMENT

Department of Health	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Administered item receipts	117,119	24,998	25,288	25,309
Grants and other contributions		..	..	..
Taxes, fees and fines		50	50	50
Royalties, property income and other territorial revenues		..	..	..
Other		(7)	(7)	(7)
Outflows:				
Transfers to Government		(43)	(43)	(43)
Grants and subsidies	118,120,124	(17,896)	(18,212)	(18,760)
Supplies and services		..	..	..
Borrowing costs	123,127	(7,102)	(7,076)	(6,549)
Other		..	..	..
Net cash provided by/(used in) operating activities		**..**	**..**	**..**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed	121,125	8,309	8,319	8,862
Outflows:				
Payments for property, plant and equipment and intangibles		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**8,309**	**8,319**	**8,862**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions	122,126	(8,309)	(8,319)	(8,862)
Finance lease payments				
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**(8,309)**	**(8,319)**	**(8,862)**
Net increase/(decrease) in cash held		**..**	**..**	**..**
Administered cash at beginning of financial year		**78**	**12**	**12**
Cash transfers from restructure		..	..	..
Administered cash at end of financial year		**78**	**12**	**12**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. The increase in Service revenue is due to funding related to the adoption of Ernst and Young recommendations for improving the health payroll system, additional funding as a consequence of higher than estimated costs including the demand for services being greater than budgeted levels, funding associated with higher than forecast capital expensing, enterprise bargaining arrangements, and transfer of the administrative responsibility of community helicopter providers from the Department of Community Safety to Queensland Health. The increase is offset by deferred Australian Government funding relating to the National Health Reform on Improving Public Hospital Services and the National Healthcare Specific Purpose Payments (SPP), the Commonwealth Dental Program and essential vaccines.
2. Increase is due to greater than forecast revenue received from the Department of Veteran's Affairs, Q-COMP and from other State Governments to cover the costs associated with providing services to patients normally resident in other states.
3. Increase is due to funding from the Queensland Reconstruction Authority to provide health services in response to natural disaster events, higher than expected revenue from other Government departments and various Australian Government funded health services.
4. Increase in Employee expenses is associated with additional recruitment, increased expenditure for new and existing initiatives and increases due to enterprise bargaining arrangements. The increase is offset by on-cost reimbursements, credited against salaries and wages, being higher than forecast.
5. Increase is associated with the purchase of supplies and services to support higher than forecast requirements for existing and new initiatives.
6. Increase is due to higher than forecast expenditure for existing initiatives and due to the transfer of administrative responsibility of community helicopter providers from the Department of Community Safety to Queensland Health.
7. Increase in Other expenses is due to higher than forecast sundry expenditure for existing and new initiatives and insurance.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

8. The increase in Service revenue is due to funding for the More Beds for Hospitals Strategy, enterprise bargaining arrangements, funding related to the adoption of Ernst and Young recommendations for improving the health payroll system, and increased depreciation funding in line with capital investment. The increase is also due to Australian Government funds for health services provided through the National Health Reform Agreement for Improving Public Hospital Services.
9. Increase is due to funding from the Department of Veteran's Affairs, Q-COMP and from other State Governments to cover the costs associated with providing services to patients normally resident in other states. Increase is also due to funding from the Australian Government for the Highly Specialised Drugs program.
10. Increase in Employee expenses is associated with additional recruitment, increased expenditure for new and existing initiatives and increases due to enterprise bargaining arrangements.
11. Increase is associated with the purchase of supplies and services to support health service delivery for existing and new initiatives.
12. Increase is due to the transfer of administrative responsibility of community helicopter providers from the Department of Community Safety to Queensland Health and due to increased funding for existing initiatives and wage arrangements for non-Government organisations.
13. Depreciation expense increases with additional capital investment.
14. Increase in Other expenses is due to sundry expenditure for existing and new initiatives.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

15. The increase in Service revenue is due to funding for the More Beds for Hospitals Strategy, enterprise bargaining arrangements, and increased depreciation funding in line with capital investment. The increase is also due to additional Australian Government funds for health services provided through the National Health Reform Agreement for Improving Public Hospital Services. These increases are offset by a reduction in Australian Government funds for essential vaccines and by additional funding as a consequence of higher than estimated costs including the demand for services being greater than budgeted levels in 2010-11.
16. Decrease in Grants and other contributions stems from a number of state and Australian Government funded health agreements that are not yet signed or are to cease.
17. Increase in Employee expenses is associated with wage arrangements under enterprise bargaining arrangements, additional recruitment, and increased expenditure for new and existing initiatives.
18. Increase is due to the purchase of supplies and services to support health service delivery for existing and new initiatives.
19. Increase is due to wage arrangements for non-Government organisations and the Smart State Strategy, offset by a decrease in the capital grant to the James Cook University Dental School.
20. Depreciation expense increases with additional capital investment.

Statement of changes in equity

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

21. Increase is due to expected upward movements in interim and comprehensive revaluations of land and buildings.
22. Reduction is due to deferrals in the capital program including Gold Coast University Hospital, Mackay Base Hospital Redevelopment, Cairns Base Hospital, Rockhampton Hospital Expansion and other capital projects.
23. Increase is due to the transfer of buildings from Department of Employment, Economic Development and Innovation to Queensland Health at the Cooper's Plains Food and Health Services Precinct.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

24. Reduction is due to deferrals in the capital program including Gold Coast University Hospital, Mackay Base Hospital Redevelopment, Cairns Base Hospital, Rockhampton Hospital Expansion and other capital projects.

25. Increase reflects investment in the capital program including Gold Coast University Hospital, Queensland Children's Hospital, Mackay Base Hospital, Townsville Hospital and Rockhampton Hospital.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
26. Increase reflects investment in the capital program including Gold Coast University Hospital, Queensland Children's Hospital, Mackay Base Hospital, Townsville Hospital and Rockhampton Hospital.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
27. Increase in Cash assets is due to net cash provided by operating and non-operating activities.
28. Increase in Receivables is due to the Annual Leave Central Scheme (ALCS) and the Long Service Leave Central Scheme (LSLCS) receivable balances.
29. Increase predominately relates to prepayment of increased Queensland Government Insurance Fund (QGIF) premium.
30. Increase is due to recognition of share of Translational Research Institute (TRI) projected profit against investment.
31. Reduction is due to deferrals in the capital program including Gold Coast University Hospital, Mackay Base Hospital Redevelopment, Robina Hospital Expansion, Cairns Base Hospital, Rockhampton Hospital Expansion and other capital projects.
32. Reduction is due to deferrals in software development.
33. Decrease is due to movement from non-current to current prepayments.
34. Increase is due to end of year accrual for non-employee payroll creditors.
35. Increase is due to Annual Leave Levy Payable and an increase in Salaries and Wages accruals associated with recruitment for new and existing initiatives and enterprise bargaining arrangements.
36. Decrease is due to adjustments to the prepayment schedule for lease by TRI.
37. Decrease due to a realisation of unearned patient revenue.
38. Increase due to re-classification of pre-paid lease payments by the TRI from current to non-current.
39. Decrease reflects the deferral of equity related to the capital program and offset by equity injections.
40. Decrease is due to expected downward movements in interim and comprehensive revaluations of land and buildings.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
41. Increase is due to net cash provided by operating and non-operating activities.
42. Increase in Receivables is due to the ALCS and the LSLCS receivable balances.
43. Increase predominately relates to prepayment of increased QGIF premium.
44. Increase is due to recognition of share of TRI projected profit against investment.
45. Increase reflects investment in the capital program including, Queensland Children's Hospital, TRI, Gold Coast University Hospital, Mackay Base Hospital, Townsville Hospital, Rockhampton Hospital and other capital projects.
46. Increase is due to expected increase in software development.
47. Decrease is due to movement from non-current to current prepayments.
48. Increase is due to an increase in Sundry payables including Patient Transport and iPharmacy.
49. Increase is due to Annual Leave Levy Payable and an increase in Salaries and Wages accrual.
50. Increase is due to increases in the schedule of payments, by TRI, for prepayment of finance lease.
51. Decrease reflects the deferral of equity related to the capital program and offset by equity injections.
52. Increase due to re-classification of pre-paid lease payments, by TRI, from current to non-current.
53. Increase reflects investment in the capital program.
54. Increase predominately relates to prepayment of increased QGIF premium.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
55. Decrease is due to net cash used in investing activities.
56. Increase is due to recognition of share of TRI profit against investment.
57. Increase is due to an increase in Sundry payables including Patient Transport and iPharmacy.
58. Increase is due to expected increase in software development.
59. Increase is due to an increase in numerous small movements in sundry payables for existing and new initiatives.
60. Increase is due to Annual Leave Levy Payable and an increase in Salaries and Wages accruals associated with recruitment for new and existing initiatives and enterprise bargaining arrangements.
61. Increase is due to increases in the schedule of payments, by TRI, for prepayment of finance lease.
62. Increase is due to the re-classification of pre-paid lease payments by the TRI from current to non-current.
63. Increase reflects investment in the capital program.
64. Reduction is due to deferrals in the capital program including Gold Coast University Hospital, Mackay Base Hospital Redevelopment, Cairns Base Hospital, Rockhampton Hospital Expansion and other capital projects.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
65. Increase in Service receipts is associated with funding related to the adoption of Ernst and Young recommendations for improving the health payroll system, additional funding as a consequence of higher than estimated costs including the demand for services being greater than budgeted levels, funding associated with higher than forecast capital expensive, enterprise bargaining arrangements, and transfer of the administrative responsibility of community helicopter providers from the Department of Community Safety to Queensland Health. The increase is offset by Australian Government funding relating to the National Health Reform on Improving Public Hospital Services.
66. Increase is due to greater than forecast revenue received from the Department of Veterans Affairs, Q-COMP and revenue from other State Governments to cover the costs associated with treating patients normally resident in other states.
67. Increase is due to additional funding from the Queensland Reconstruction Authority to provide health services in response to natural disaster events, higher than expected revenue from other Government departments and various Australian Government funded health services.
68. Increase is due to balance sheet adjustments to more accurately reflect actual GST input tax credit inflows.

69. Increases in Employee costs are associated with additional recruitment, increased expenditure for new and existing initiatives and increases due to enterprise bargaining arrangements. The increase is offset by on-cost reimbursements, credited against salaries and wages, being higher than forecast.
70. Increase is associated with the purchase of supplies and services to support higher than forecast expenditure for existing and new initiatives.
71. Increase is due to balance sheet adjustment to more accurately reflect actual GST paid on purchase outflows.
72. Increase is due to higher than forecast expenditure for existing initiatives and the transfer of administrative responsibility of community helicopter providers from the Department of Community Safety to Queensland Health.
73. Increase is due to payment of numerous small sundry expenses for existing and new initiatives.
74. Increase is due to the sale of several properties.
75. Reduction is due to deferrals in the capital program including the Gold Coast University Hospital, Mackay Base Hospital Redevelopment, Cairns Base Hospital, Rockhampton Hospital Expansion and other capital projects.
76. Increase is due to recognition of share of TRI projected profit against investment.
77. Decrease is due to adjustments in the schedule of payments, by TRI, for prepayment of finance lease.
78. Reduction is due to deferrals in the capital program including Gold Coast University Hospital, Mackay Base Hospital Redevelopment, Cairns Base Hospital, Rockhampton Hospital Expansion and other capital projects.
79. Increase in Equity withdrawal due to return of cash for depreciation funding.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
80. Increase in Service receipts is due to funding for the More Beds for Hospitals Strategy, enterprise bargaining arrangements, funding related to the adoption of Ernst and Young recommendations for improving the health payroll system, increased depreciation funding in line with capital investment, and additional funding from the Australian Government for health services provided through the National Health Reform Agreement – Improving Public Hospital Services.
81. Increase is due to additional funding from the Department of Veteran's Affairs, Q-COMP and from other State Governments to cover the costs associated with treating patients normally resident in other states. Increase is also due to funding from the Australian Government for the Highly Specialised Drugs program.
82. Increase is due to higher than forecast expenditure for existing initiatives and the transfer of administrative responsibility of community helicopter providers from the Department of Community Safety to Queensland Health.
83. Increases in Employee costs are associated with additional recruitment, increased expenditure for new and existing initiatives and increases due to enterprise bargaining arrangements.
84. Increase is associated with the purchase of supplies and services to support expenditure for existing and new initiatives.
85. Reduction is due to deferrals in the capital program including the Gold Coast University Hospital, Mackay Base Hospital Redevelopment, Cairns Base Hospital, Rockhampton Hospital Expansion and other capital projects.
86. Increase is due to expenditure for existing initiatives, the transfer of administrative responsibility of community helicopter providers from the Department of Community Safety to Queensland Health, and wage arrangements for non-Government organisations.
87. Increase is due to sundry expenditure for existing and new initiatives.
88. Increase in Cash assets is due to net cash provided by operating and non-operating activities.
89. Increase is due to recognition of share of TRI projected profit against investment.
90. Increase is due to increases in the schedule of payments, by TRI, for prepayment of finance lease.
91. Increase in Cash assets is due to net cash provided by operating and non-operating activities.
92. Increase in Equity withdrawal due to return of cash for depreciation funding.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
93. Increase is due to funding for the More Beds for Hospitals Strategy, enterprise bargaining arrangements, increased depreciation funding in line with capital investment, and additional funding from the Australian Government for health services provided through the National Health Reform Agreement – Improving Public Hospital Services. These increases are offset by a reduction in Australian Government funding for essential vaccines and by additional funding as a consequence of higher than estimated costs including the demand for services being greater than budgeted levels in 2010-11.
94. Decrease is due to a number of state and Australian Government funded health agreements that are not yet signed or are likely to cease.
95. Increases in Employee costs are associated with additional recruitment, increased expenditure for new and existing initiatives and increases due to enterprise bargaining arrangements.
96. Increase due to the purchase of supplies and services to support expenditure for existing and new initiatives.
97. Increase in Cash assets is due to net cash provided by operating and non-operating activities.
98. Increase reflects investment in e-Health Clinical Systems and other Software Development.
99. Increase is due to increases in the schedule of payments, by TRI, for prepayment of finance lease.
100. Increase in Cash assets is due to net cash provided by operating and non-operating activities.
101. Increase in Equity withdrawal due to return of cash for depreciation funding.

Administered income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
102. Increase is due to funding provided for the Health Quality and Complaints Commission's (HQCC) payroll project.
103. Increase is due to a grant provided to the HQCC for their payroll project.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
104. Increase is due to funding provided for the HQCC payroll project.
105. Increase is due to on-payment of funding from the Government by a grant to the HQCC for their payroll project, enterprise bargaining arrangements and on-payment of funding from the Government by a grant to the Mater, for repayment of the Queensland Treasury Corporation (QTC) loan for redevelopment of the public hospital component.
106. Decrease in interest associated with borrowings from QTC for the public component of the Mater Hospital redevelopment.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
107. Increase is due to on-payment of funding from the Government by a grant to the Mater, for repayment of the QTC loan for redevelopment of the public hospital component.
108. Decrease in interest associated with borrowings from QTC for the public component of the Mater Hospital redevelopment.

Administered balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
109. Increase reflects the transfer from non-current of the current receivable portion of the loan for the Mater Hospital for the redevelopment of the public hospital component.
110. Increase reflects the transfer from non-current to current liability for the amount payable to QTC in respect of borrowings for the Mater Hospital redevelopment loan.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
111. Increase reflects the transfer from non-current of the current receivable portion of the loan for the Mater Hospital for the redevelopment of the public hospital component.
112. Decrease reflects the transfer from non-current to current receivable for the portion of the advance to the Mater Hospital for repayment.
113. Increase reflects the transfer from non-current to current liability for the amount payable to QTC in respect of borrowings for the Mater Hospital redevelopment loan.
114. Decrease reflects the repayment of the borrowings to QTC for the Mater Hospital redevelopment loan and the transfer from non-current of the current payable portion of the borrowings to QTC.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
115. Decrease reflects the transfer from non-current to current receivable for the portion of the advance to the Mater Hospital for repayment.
116. Decrease reflects the repayment of the borrowings to QTC for the Mater Hospital redevelopment loan and the transfer from non-current of the current payable portion of the borrowings to QTC.

Administered cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
117. Increase is due to funding provided for the HQCC payroll project.
118. Increase is due to on-payment of funding from the State Government by a grant to the HQCC for their payroll project.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
119. Increase is due to funding provided for the HQCC payroll project.
120. Increase is due to on-payment of funding from the Government by a grant to the HQCC for their payroll project, enterprise bargaining arrangements and on-payment of funding from the Government by a grant to the Mater for repayment of the QTC loan for redevelopment of the public hospital component.
121. Increase is due to receipt of repayment by Mater for an advance of borrowings from QTC for funding the public component of the Mater Hospital redevelopment.
122. Increase is due to repayments against loan from QTC for the Mater Hospital redevelopment.
123. Decrease in interest associated with borrowings from QTC for the public component of the Mater Hospital redevelopment.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
124. Increase is due to on-payment of funding from the Government by a grant to the Mater for repayment of the QTC loan for redevelopment of the public hospital component.
125. Increase is due to receipt of repayment by Mater for advance of borrowings from QTC for funding the public component of the Mater Hospital redevelopment.
126. Increase is due to repayments against loan from QTC for the Mater Hospital redevelopment.
127. Decrease in interest associated with borrowings from QTC for the public component of the Mater Hospital redevelopment.

Statutory Bodies

Health Quality and Complaints Commission

OVERVIEW

The Health Quality and Complaints Commission (the HQCC) is an independent statutory body established under the *Health Quality and Complaints Commission Act 2006*. The HQCC contributes to the Government's *Toward Q2: Tomorrow's Queensland* ambition Healthy - *Making Queenslanders Australia's healthiest people*.

The HQCC's strategic objectives are to:

- drive healthcare safety and quality improvement by managing complaints effectively; analysing and sharing information; identifying opportunities for reducing risk; and investigating for systemic improvement
- grow community benefit by communicating health service improvements; delivering quality client service; and preserving and promoting healthcare rights
- strengthen HQCC's leadership and independence by building the agency's reputation as Queensland's independent health watchdog; securing independent funding, reporting and functional arrangements; and transitioning to national healthcare standards while retaining a quality monitoring function
- strengthen business operations by redefining core activities and realigning resources, structure and processes; investing further in staff and system development; streamlining and enhancing legislative powers and functions; and maintaining financial sustainability.

The National Health Reform Heads of Agreement signed by the Australian Government and all states and territories on 13 February 2011 will have a substantial impact on the functions of the HQCC and the healthcare provider organisations and practitioners the HQCC oversees from 1 July 2011.

REVIEW OF PERFORMANCE

Recent achievements

The HQCC has recently:

- launched updated healthcare standards for Queensland's 226 acute and day hospitals
- managed 1,760 healthcare complaints and 84 investigations between 1 July 2010 and 31 March 2010
- implemented a Memorandum of Understanding between the Australian Health Practitioner Regulation Agency, the HQCC and other interstate health complaints entities to streamline complaint management
- undertaken research on analysing doctor complaint patterns. The HQCC continues to work with other health complaint entities, the Medical Board of Australia and universities to develop tools to identify and respond to doctors with multiple complaints.

Future developments

Future activities of the HQCC include:

- monitoring acute and day hospital compliance with the updated healthcare standards
- publishing a special report on medical practitioner credentialing and other related matters
- measuring community perceptions of healthcare safety and quality
- reviewing the HQCC's complaints, investigations and quality monitoring functions to improve quality and efficiency.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
		70	70	70

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

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service standards				
Percentage of client satisfaction with complaint service:	1	New measure		
• ease of access	2		-	75%
• staff			80%	75%
• timeliness	2		-	75%
• quality			76%	75%
• outcome			61%	50%
• overall			75%	75%
Percentage of investigation recommendations implemented by healthcare providers within agreed timeframes	3	New measure	74%	75%
Percentage of quality monitoring recommendations implemented by healthcare providers within agreed timeframes	5,6	New measure	-	75%
Other measures				
Percentage of complaints in early resolution closed within 30 days		100%	94%	100%
Percentage of complaints in assessment closed within 90 days		100%	92%	100%
Percentage of complaints in conciliation closed within 12 months	4	75%	60%	60%
Percentage of investigations closed within 12 months		70%	81%	70%
Percentage of Queensland acute and day hospital compliance with HQCC healthcare standards	7	New measure	93%	90%
State contribution ($000)		**9,598**	**9,914**	**10,304**
Other revenue ($000)		**245**	**256**	**256**
Total cost ($000)		**9,843**	**10,170**	**10,560**

Notes:
1. New effectiveness measure for the HQCC's complaint management work.
2. New client satisfaction measure introduced in April 2011. Data to be reported in 2010-11Annual Report.
3. The HQCC actively monitors healthcare provider implementation of its investigation recommendations to prevent patient harm and improve the safety and quality of health services. Recommendations and timeframes for implementation are agreed with healthcare providers and the HQCC requires regular implementation progress reports until complete.
4. The 2011-12 Target/estimate has been reduced from 75% in 2010-11 to 60% in 2011-12 following analysis of the conciliation case mix. Complex healthcare complaints generally take more than 12 months to conciliate.
5. The HQCC actively monitors healthcare provider implementation of its quality monitoring recommendations to prevent patient harm and improve the safety and quality of health services. Recommendations and timeframes are agreed with healthcare providers and the HQCC requires regular implementation progress reports until complete.
6. New quality monitoring measure introduced in March 2011. Data to be reported in 2010-11Annual Report.
7. The HQCC requires Queensland's acute and day hospitals to report their compliance with the standards, which aim to set achievable and consistent benchmarks in key clinical and governance areas.

INCOME STATEMENT

Health Quality & Complaints Commission	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue		..	..	..
User charges		..	..	..
Grants and other contributions	1,2,3	9,598	9,914	9,898
Other revenue		245	256	256
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**9,843**	**10,170**	**10,154**
Expenses				
Employee expenses		7,290	7,403	7,341
Supplies and services		2,095	2,309	2,354
Grants and subsidies		..	..	..
Depreciation and amortisation		430	430	430
Finance/borrowing costs		..	..	..
Other expenses		28	28	29
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**9,843**	**10,170**	**10,154**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

STATEMENT OF CHANGES IN EQUITY

Health Quality & Complaints Commission	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		..	..	..
Total recognised income and expense for the period		**..**	**..**	**..**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**..**	**..**	**..**

BALANCE SHEET

Health Quality & Complaints Commission	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	4,5,6	1,919	1,444	1,874
Receivables		239	93	93
Other financial assets		..	..	..
Inventories		..	..	..
Other		39	46	46
Non-financial assets held for sale		..	..	..
Total current assets		**2,197**	**1,583**	**2,013**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		1,685	1,760	1,410
Intangibles		568	767	687
Other		..	..	..
Total non-current assets		**2,253**	**2,527**	**2,097**
TOTAL ASSETS		**4,450**	**4,110**	**4,110**
CURRENT LIABILITIES				
Payables		803	1,041	1,041
Accrued employee benefits		769	620	620
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		139	139	139
Total current liabilities		**1,711**	**1,800**	**1,800**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		124	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		1,198	1,080	1,080
Total non-current liabilities		**1,322**	**1,080**	**1,080**
TOTAL LIABILITIES		**3,033**	**2,880**	**2,880**
NET ASSETS/(LIABILITIES)		**1,417**	**1,230**	**1,230**
EQUITY				
Capital/contributed equity		..	..	..
Accumulated surplus/(accumulated deficit)		1,417	1,230	1,230
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**1,417**	**1,230**	**1,230**

CASH FLOW STATEMENT

Health Quality & Complaints Commission	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts		..	..	..
User charges		..	..	..
Grants and other contributions	7,8,9	9,598	9,914	9,898
Other		245	256	256
Outflows:				
Employee costs		(7,290)	(7,403)	(7,341)
Supplies and services		(2,095)	(2,309)	(2,354)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(28)	(28)	(29)
Net cash provided by/(used in) operating activities		**430**	**430**	**430**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(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/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**430**	**430**	**430**
Cash at the beginning of financial year		**1,489**	**1,014**	**1,444**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**1,919**	**1,444**	**1,874**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
1. Increase due to Queensland Health providing funding for the transition of the new payroll system to the Corporate Administration Agency (CAA).

Major variations between 2010-11 Budget and 2011-12 Estimate include:
2. Increase due to Queensland Health providing funding for the transition of the new payroll system to CAA.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
3. Increase due to Queensland Health providing funding for the transition of the new payroll system to CAA and Enterprise Bargaining Agreement (EBA).

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
4. Decrease due to cash at bank being a near nil balance.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
5. Decrease due to cash at bank being a near nil balance.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
6. Increase due to Queensland Health providing funding for the transition of the new payroll system to CAA and EBA.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
7. Increase due to Queensland Health providing funding for the transition of the new payroll system to CAA.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
8. Increase due to Queensland Health providing funding for the transition of the new payroll system to CAA and EBA.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
9. Increase due to Queensland Health providing funding for the transition of the new payroll system to CAA and EBA.

Queensland Institute of Medical Research

OVERVIEW

Established under the *Queensland Institute of Medical Research Act (1945)* as a statutory body, the Queensland Institute of Medical Research (QIMR) is one of the largest medical research organisations in the southern hemisphere, globally recognised for the quality of its research. QIMR conducts medical research with an emphasis on a translational approach, including through Q-Gen, QIMR's manufacturing facility for cell therapy. QIMR conducts medical research which aligns with the Queensland Government's *Smart State Strategy 2005–2015* and *Toward Q2: Tomorrow's Queensland* ambitions of Healthy – *Making Queenslanders Australia's healthiest people* and Strong – *Creating a diverse economy powered by bright ideas*. This is evidenced by research undertaken by QIMR across the following primary research programs:

- Cancer
- Infectious Diseases
- Mental Health and Complex Disorders.

Following amendment to the *Queensland Institute of Medical Research Act (1945),* the QIMR Trust was abolished, effective from 1 February 2011. The functions of the former Trust, to receive, manage and invest donations and bequests on behalf of QIMR, has been assumed by The Council of the Queensland Institute of Medical Research.

In 2011-12, QIMR will receive funding of $14 million from the Queensland Government. This funding enables QIMR to successfully bid for competitive peer-reviewed medical research grants. The two largest funders of research at QIMR are the National Health and Medical Research Council Australia (NHMRC) and the National Institutes of Health (USA). QIMR receives significant funding from other bodies such as the Cancer Council Queensland and the Leukaemia Foundation of Queensland.

QIMR has partnerships in the Cooperative Research Centre for Aboriginal Health, the Australian Centre for Vaccine Development, the Queensland Tropical Health Alliance, and participation in start up companies.

QIMR's current activities include:

- researching the genetic and environmental causes of cancer in the hope of developing better treatments and diagnostics
- embarking on the largest skin cancer research study ever conducted in Australia. The QSkin study will invite more than 200,000 men and women to participate in a study in an effort to refine our understanding of the factors that underlie skin cancer risk
- establishing the new Mental Health Division with the goal of understanding the causes of a range of major mental illnesses, including schizophrenia, bipolar and depression in order to improve detection and treatment
- continuing research into diseases prevalent in developing countries including malaria, schistosomiasis, dengue fever and lieshmaniasis
- heading up the largest Australian study of asthma genetics
- furthering the development of the Vector-borne Disease Early Detection and Surveillance (VEDS) System
- QIMR currently has 117 visiting scientists and 118 students completing PhD, masters and honours degrees.

REVIEW OF PERFORMANCE

Recent achievements

QIMR has recently:

- identified a new gene linked to schizophrenia and bipolar disorder
- used an experimental immunotherapy treatment to help a bone marrow transplant patient overcome a life threatening infection
- effectively prevented mosquitoes from spreading dengue fever by infecting them with a naturally occurring bacterium, Wolbachia
- assisted the World Health Organization identify the best malaria rapid diagnostic tests to control malaria
- found two new genes that increase the risk of late onset Alzheimer's disease
- proved the consumption of moderate amounts of alcohol during pregnancy affects the expression of genes in the developing fetus and that these changes last into adulthood
- identified a potential new target for future anti-malarial drugs, an enzyme used by the malaria parasite to obtain nutrients
- developed a simple blood test to monitor risk of contracting cytomegalovirus which is one of the leading causes of death for transplant patients
- identified and successfully treated a previously undiagnosed condition, an immune defect that leads to fulminant infectious mononucleosis
- discovered the cumulative effect of lots of small genetic variations in many of our genes determine complex traits such as height
- identified a new variant of a gene that helps regulate iron and haemoglobin levels
- commenced human clinical trials using live malaria to develop a method to test future anti-malarial drugs
- identified two gene variants that double the risk of developing melanoma
- discovered the human liver fluke (Opisthorchis viverrini) contributes to the development of liver cancer by secreting granulin
- identified a gene variant associated with increased survival in breast cancer patients
- found that drinking more than four cups a day of black, green or herbal tea reduces ovarian cancer risk by almost 30%
- found that women who eat processed meat several times a week increase their risk of developing ovarian cancer by 20%
- discovered the bacteria that cause stomach ulcers dramatically reduce the risk of oesophageal cancer
- developed a compound from the rainforest that has shown significant anti-cancer activity in animal cancers.

Future developments

QIMR's smart state medical research centre is due for completion in early 2012. The new facility will accommodate an additional 400 scientists in 20 purpose built research laboratories and serve to link the two existing QIMR buildings. The research centre will increase QIMR's current research capacity in areas such as tropical diseases, vaccine development, cancer and genetics and allow for the development of a new mental health research division, and facilitate the expansion of QIMR's highly successful education program.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
	2	440	432	452

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. This does not include visiting scientists or students.

INCOME STATEMENT

Queensland Institute of Medical Research	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
User charges		5,100	4,780	4,868
Grants and other contributions	1,7	140,826	130,864	142,243
Other revenue	6	8,019	4,752	3,576
Gains on sale/revaluation of property, plant and equipment and investments	2	..	6,410	3,922
Total income		**153,945**	**146,806**	**154,609**
Expenses				
Employee expenses	4,8	42,905	42,349	45,583
Supplies and services	3,9	27,198	25,734	28,421
Grants and subsidies		..	..	..
Depreciation and amortisation	5	5,458	5,367	7,490
Finance/borrowing costs		..	..	..
Other expenses		1,548	1,643	746
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Profit of Associate and Joint ventures		..	..	..
Total expenses		**77,109**	**75,093**	**82,240**
OPERATING SURPLUS/(DEFICIT)		**76,836**	**71,713**	**72,369**

STATEMENT OF CHANGES IN EQUITY

Queensland Institute of Medical Research	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	138	..
Increase/(decrease) in asset revaluation reserve		904	1,287	1,300
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**904**	**1,425**	**1,300**
Surplus/(deficit) for the period		76,836	71,713	72,369
Total recognised income and expense for the period		**77,740**	**73,138**	**73,669**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**77,740**	**73,138**	**73,669**

BALANCE SHEET

Queensland Institute of Medical Research	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	10	81,428	114,641	49,173
Receivables		6,837	11,545	11,568
Inventories		276	281	281
Other		800	545	550
Non-financial assets held for sale		..	..	..
Total current assets		**89,341**	**127,012**	**61,572**
NON-CURRENT ASSETS				
Receivables		..	..	..
Investments accounted for using the equity method		619	490	490
Other financial assets	12	79,374	64,268	68,209
Property, plant and equipment	14,17	209,718	198,717	267,488
Total non-current assets		**289,711**	**263,475**	**336,187**
TOTAL ASSETS		**379,052**	**390,487**	**397,759**
CURRENT LIABILITIES				
Payables	11,15,18	90,023	110,275	43,382
Accrued employee benefits		1,155	1,181	1,181
Interest-bearing liabilities and derivatives		21	23	23
Provisions		121	121	121
Other		..	193	689
Total current liabilities		**91,320**	**111,793**	**45,396**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		786	644	644
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**786**	**644**	**644**
TOTAL LIABILITIES		**92,106**	**112,437**	**46,040**
NET ASSETS/(LIABILITIES)		**286,946**	**278,050**	**351,719**
EQUITY				
Capital/contributed equity		..	..	..
Accumulated surplus/(accumulated deficit)	13,16	239,250	236,156	308,525
Reserves:				
- Asset revaluation surplus		47,696	41,894	43,194
- Other (specify)		..	..	..
TOTAL EQUITY		**286,946**	**278,050**	**351,719**

CASH FLOW STATEMENT

Queensland Institute of Medical Research	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges		5,100	764	4,845
Grants and other contributions	20,27	140,826	131,537	142,243
Interest received		1,374	1,852	1,675
Other		6,645	1,259	1,851
Outflows:				
Employee costs	24	(42,905)	(42,484)	(45,583)
Supplies and services	23,26	(27,332)	(24,870)	(37,022)
Grants and subsidies	19,22,25	10,197	23,522	(58,296)
Borrowing costs		..	..	..
Other		(1,548)	4,375	(220)
Net cash provided by/(used in) operating activities		**92,357**	**95,955**	**9,493**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	3	..
Investments redeemed	21	..	6,159	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		(74,951)	(69,192)	(74,961)
Payments for investments		(3,676)	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(78,627)**	**(63,030)**	**(74,961)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	1	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**..**	**1**	**..**
Net increase/(decrease) in cash held		**13,730**	**32,926**	**(65,468)**
Cash at the beginning of financial year		**67,698**	**81,715**	**114,641**
Cash transfers from restructure		..		
Cash at the end of financial year		**81,428**	**114,641**	**49,173**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. Income recognised for grants received for the construction of the Smart State Medical Research Centre (SSMRC). Initial budget estimates forecast an increase in the cost of construction. Market forces affecting the construction industry have resulted in lower construction costs. The Capital Endowment Campaign budgeted for 2010-11 is on hold pending other fundraising initiatives.
2. Investment returns achieved on managed funds surpassed the conservative budget estimates for 2010-11.
3. Capital Endowment Campaign consultant costs are not included as the campaign is on hold.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

4. Employee Expenses increased in line with expectations of the new Enterprise agreement (Current agreement expires on 31 August 2011), additional researcher salary support, and some increases in staff numbers related to services commencing in the completed SSMRC.
5. Increased depreciation charge due to Building and Plant & Equipment capitalised following completion of the SSMRC building project.
6. Deferral of the capital expenditure reimbursement related to the Qld Tropical Health Alliance (QTHA) has resulted in a deferral of the reimbursement to QIMR.

Major variations between 2010-11 Estimated actual and 2011-12 Budget Estimate include:

7. Final stages of construction & fitout of the SSMRC. Expenditure to increase in line with complexity, cost, and staffing required to fitout mechanical & electrical equipment. Includes refurbishment costs of Bancroft Centre.
8. Employee Expenses increased in line with expectations of the new Enterprise agreement (Current agreement expires on 31 August 2011), additional researcher salary support, and some increases in staff numbers related to services commencing in the completed SSMRC.
9. Increased utilities costs in line with commissioning of SSMRC building.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

10. Funds transferred from Managed Funds to short term deposits for unexpended grant funds related to SSMRC. Savings on construction costs of SSMRC resulted in higher cash balance.
11. Savings on construction costs of SSMRC resulted in higher unexpended grants balance.
12. Funds transferred from Managed Funds to short term deposits for unexpended grant funds related to SSMRC. Returns on conservative long term investments below expected for period January - June 2010.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

13. Income recognised for grants received for the construction of the SSMRC. $72.3 million in 2011-12.
14. Capitalisation of construction & fitout costs related to SSMRC.
15. Ramp up of expenditure on final stages of construction & fitout of SSMRC will deplete unexpended grant balance in 2011-12.

Major variations between 2010-11 Estimated actual and 2011-12 Budget estimate include:

16. Income recognised for grants received for the construction of the SSMRC. $72.3 million in 2011-12.
17. Capitalisation of construction & fitout costs related to SSMRC.
18. Ramp up of expenditure on final stages of construction & fitout of SSMRC will deplete unexpended grant balance in 2011-12.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

19. In 2010-11, grant funds received will be greater than expenditure, resulting in an increase in the unexpended grant balance. As expenditure will be lower than expected, unexpended grant balance will be higher.
20. Income recognised for grants received, accounted for on matching principle against the construction costs of the SSMRC is lower than budget.
21. Redemption of managed funds to meet operational cash requirements ($4 million) due to timing of receipt of grant income.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

22. In 2011-12, construction costs on SSMRC forecast to be $72.3 million, compared to income from grants and investments of $14.1 million. In 2010-11 grant income for the project was greater than expenditure.
23. Payment of June contractor invoices for SSMRC that will be accrued at 30 June 2011, invoices paid in 2011-12. Some additional utilities costs associated with the commissioning of SSMRC.
24. Refer note 4 above.

Major variations between 2010-11 Estimated actual and 2011-12 Budget Estimate include:

25. Ramp up of expenditure on final stages of construction & fitout of SSMRC will deplete unexpended grant balance in 2011-12.
26. Payment of June contractor invoices for SSMRC that will be accrued at 30 June 2011, invoices paid in 2011-12. Some additional utilities costs associated with the commissioning of SSMRC.
27. Final stages of construction & fitout of the SSMRC. Expenditure to increase in line with complexity, cost, and staffing required to fitout mechanical & electrical equipment. Includes refurbishment costs of Bancroft Centre.

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PART 7

Department of Community Safety

Summary of departmental portfolio budgets

Page	Agency	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
1-193	Community Safety - controlled	1,668,746	1,674,627	1,799,172

Note:
1. Explanations of variances are provided in the financial statements.

DEPARTMENTAL OVERVIEW

MINISTERIAL RESPONSIBILITY

The Minister for Police, Corrective Services and Emergency Services is responsible for the Department of Community Safety (DCS).

STRATEGIC ISSUES

The department's vision is for a safe and secure Queensland through the provision of community safety, emergency management, and professional correctional services.

The department's strategic objectives are to:

- provide timely and quality ambulance services which meet the needs of the community
- improve community safety and confidence in our work, enforce the orders of the court, and break the cycle of re-offending
- improve emergency management services and disaster management arrangements
- provide fire and rescue services in partnership with the community for a safer Queensland.

The department is committed to safe and secure Queensland communities through the delivery of professional correctional services, building community resilience and responding to disasters in the face of the extreme weather events that Queensland endures. The department's response to the weather events in Queensland over the summer of 2010-11 demonstrated its commitment. During these events all service areas of the department acted in a concerted manner utilising the department's vast volunteer services; the swift water rescue services; helicopter services; and the involvement of appropriate low risk offenders managed by corrective services in recovery efforts.

The department continues to contribute to the Government's *Toward Q2: Tomorrow's Queensland* by supporting:

- Smart – *Three out of four Queenslanders will hold trade, training or tertiary qualifications* by supporting prisoners to develop foundation vocational education and training skills
- Healthy – *Cut by one-third obesity, smoking, heavy drinking and unsafe sun exposure* by supporting decreased tobacco smoking in correctional facilities
- Healthy – *Queensland will have the shortest public hospital waiting times in Australia* by managing demand for services through effective support by Queensland Ambulance Service (QAS) for Queensland Health patient flow strategies
- Fair – *Increase by 50 per cent the proportion of Queenslanders involved in their communities as volunteers* by supporting the recruitment, management and retention of volunteers across all communities in Queensland.

2011-12 HIGHLIGHTS

In delivering community safety services, the department will:

- allocate $20.4 million to commission 140 new and replacement ambulance vehicles
- recruit 50 additional ambulance officers to meet the increasing demand for service
- complete construction of four new ambulance stations in the growth areas of Coomera, Ningi, North Lakes and Pinjarra Hills

- complete construction of replacement ambulance stations at Biggenden, Gayndah, Gordonvale, Normanton, Ravenshoe, and Winton, refurbish an ambulance station at Chermside and redevelop the South Mackay station
- commence design and documentation works for replacement ambulance stations at Calliope, Cleveland, Emerald, Kingaroy and Tara, and continue to construct a replacement ambulance station at Gladstone, all due for completion in 2012-13
- provide $2.4 million to continue planning for construction or purchase of ambulance staff housing in the Surat and Bowen Basins at a total cost of $5.8 million (*Sustainable Resource Communities)*
- continue design and commence redevelopment of the Spring Hill complex and ambulance station
- continue investment for enhancement of radio communication capabilities and Triple Zero (000) systems including progression of the Emergency Services Computer Aided Dispatch (ESCAD) upgrade due for completion in 2011-12
- continue the replacement of Mobile Data Terminals in ambulance vehicles in south-east Queensland
- provide $33.7 million to continue the $415.6 million first stage of the development of the Southern Queensland Correctional Precinct at Gatton. In addition, $26.4 million is provided for operation and maintenance of the Correctional Precinct
- allocate $51.3 million to continue the $442.8 million expansion and redevelopment of Lotus Glen Correctional Centre. In addition, $13.6 million operating expenditure is allocated in 2011-12 for the pre-commissioning and operation of the expanded facility
- allocate $6 million towards the $33 million Arthur Gorrie Correctional Centre cell upgrade program to modify cells in order to increase the number of suicide resistant cells
- provide $2.2 million to introduce global positioning system technology to monitor and track the movement of offenders on continuing supervision orders under the *Dangerous Prisoners (Sexual Offenders) Act 2003*. Queensland Corrective Services (QCS) will continue to ensure that offenders released under the *Dangerous Prisoners (Sexual Offenders) Act 2003* are appropriately supervised and receive the control and treatment interventions needed to reintegrate successfully into the community and reduce their likelihood of re-offending
- allocate $1 million towards the $2 million construction of new low security accommodation for women at the Numinbah Correctional Centre
- continue to implement new processes and procedures resulting from an independent, state-wide security review into armoury and key control in high security correctional centres
- provide $4.4 million to complete post occupancy works at Arthur Gorrie, Brisbane and Townsville correctional centres at a total cost of $8.7 million
- implement recommendations of the Queensland Auditor-General's *Report to Parliament No. 1 for 2011 - Management of offenders subject to supervision in the community*
- continue enhancing community safety and confidence in corrections by being tough on drugs and addressing the drug taking and alcohol abusing behaviours of offenders by implementing the QCS Drug and Alcohol Policy
- continue to collaborate with local communities to increase the number of community service work sites available to offenders to make reparation
- provide an additional seven regional disaster planning staff to support the critical work of preparing for, and recovering from, disaster events
- provide additional resources to strengthen Natural Disaster Relief and Recovery Arrangements claims processing, reporting and compliance requirements

- provide $1.1 million for additional staff to perform the watch desk function within the State Disaster Coordination Centre to enhance coordination of information for disaster events
- deliver 20 new vehicles, four flood boats and undertake a disaster management exercise to enhance State Emergency Service (SES) capability *(ClimateQ)*
- provide $0.67 million to assist remote Indigenous communities to prepare for the impacts of extreme weather events which may result from climate change *(ClimateQ)*
- provide $2.3 million towards the purchase of a disaster management warehouse in north Queensland and additional stock for existing caches to ensure rapid and reliable deployment of high volumes of essential supplies to local communities to assist in response and recovery situations (*ClimateQ)*
- continue implementation of the amendments to the *Disaster Management Act 2003*
- fund $6.9 million over three years, commencing 2010-11, to provide for an All Hazards Information Management Program to provide accessible, relevant and up to date information to support decision making across stakeholder groups and enhance situational awareness during disasters
- fund 24 urban fire appliances at a cost of $11.7 million and 25 rural fire appliances at a cost of $4 million
- continue planning for a new fire station at Brassall and replacement fire station at Ripley as part of the works to replace the existing Ipswich fire station in 2012-13
- complete construction of replacement or redeveloped fire stations at Cherbourg, Clermont, Craignish, Emerald, Noosa and Walkerston
- commence replacement fire stations at Clifton, Mackay, Mareeba, Millaa Millaa, Mount Tamborine and Smithfield
- continue to support the Queensland Fire and Rescue Service's (QFRS) Rural Operations Volunteer Community Educators in the provision of bushfire and natural disaster community safety messages (*ClimateQ)*
- continue building upon the award winning Flexible Learning for QFRS volunteers Taking us into the Future initiative by completing crew leader and first officer flexible learning programs
- engage 'at-risk' communities through the continued delivery of the Are you bushfire prepared? PREPARE.ACT.SURVIVE. program in line with recommendations from the 2009 Victorian Bushfires Royal Commission
- implement the recently endorsed National Strategy for Disaster Resilience.

RECENT ACHIEVEMENTS

In 2010-11, the department progressed the following initiatives:

- recruited an additional 75 ambulance officers to enhance ambulance service delivery
- achieved practical completion of the Queensland Emergency Operations Centre at Kedron, providing front-line staff with enhanced capacity to meet increasing operational demands and to support large scale disasters state-wide, with Triple Zero (000) services operational in 2011-12
- completed the construction of new ambulance stations at Ashgrove/The Gap and Springfield
- replaced ambulance stations in Ipswich, Jimboomba, Runaway Bay and Stanthorpe
- refurbished the ambulance station at Moranbah and purchased ambulance staff housing at Blackwater, Capella, Carmila, and Meandarra in the Surat and Bowen Basins *(Sustainable Resource Communities)*

- purchased ambulance staff housing at Dirranbandi to assist with accommodating paramedics in the area
- continued the rollout of new and replacement ambulance vehicles and incorporated two new designs in the ambulance fleet
- continued to focus on front-line service delivery by enhancing communication and related technologies by commencing the ESCAD upgrade
- implemented the Probation and Parole Green Workplaces strategy to encourage staff to reduce their carbon footprint and overall impact on the environment
- implemented the Social Responsibility Charter and Delivering Justice – Improving Corrections which sets out QCS's six key priorities for reform: serving the community; closing the gap on Aboriginal and Torres Strait Islander over-representation; partners in rehabilitation; pathways for corrections; green corrections; and becoming an agile and accountable organisation
- upgraded the Weipa Probation and Parole reporting centre to a district office
- completed the construction of contingency accommodation in Townsville for offenders released under the *Dangerous Prisoners (Sexual Offenders) Act 2003*
- partnered with Channel 7 to plan the national Conviction Kitchen program, providing a showcase of offender reintegration into the wider community
- implemented the recommendations from the review of the disaster management system including the development and review of policies, procedures and guidelines
- delivered disaster management training that incorporates the key elements of disaster preparedness and response
- provided funding to the Maranoa Regional Council for the new SES building at Mitchell ($0.12 million) and the refurbished SES building at Surat ($0.03 million) (*Sustainable Resource Communities)*
- provided $5.9 million in support of Surf Life Saving Queensland and $0.38 million in support of the Royal Life Saving Society Queensland
- provided $5.9 million for equipment, personal protective clothing, training, vehicles, floodboats and trailers to strengthen the SES capability to respond to natural disasters and emergencies in Queensland communities
- provided grants to regional councils and volunteer organisations to undertake projects for building community resilience and minimise the impact of natural disasters, using joint Queensland and Australian Government funding (the National Partnership Agreement on Natural Disaster Resilience provides Australian Government and State Government funding of $22 million each over four years commencing 2009-10*)*
- recruited four Indigenous Disaster Management Field Officers in remote communities to support disaster management planning (*ClimateQ)*
- recruited an additional 24 operational firefighting personnel
- purchased 23 new or replacement urban fire appliances at a cost of $10.9 million, and 25 rural fire appliances at a cost of $4.4 million
- completed the construction of a new fire station at Agnes Water and replacement stations at Pullenvale and Toowoomba
- enhanced community safety from bushfires through the designation of Neighbourhood Safer Places and the rollout of the nationally revised fire danger ratings signs.

DEPARTMENTAL SERVICES

Departmental service areas include:

Ambulance Services provide timely and quality ambulance services which meet the needs of the community by providing pre-hospital ambulance response services, emergency and routine pre-hospital patient care and transport services, co-ordination of aero medical services, inter-facility ambulance transport, planning and coordination of multi-casualty incidents and disasters, and casualty room services.

The *Custodial* (previously titled Custodial Operations) service area provides community safety and crime prevention through the humane containment, supervision and rehabilitation of offenders in correctional centres throughout Queensland. A variety of programs and support services are provided to assist offenders to successfully reintegrate into the community upon their release.

The *Probation and Parole* service area provides supervision and rehabilitation of offenders in the community. Probation and Parole ensures offenders are appropriately supervised and receive the control and treatment interventions they need to reintegrate successfully into the community and reduce their likelihood of re-offending.

Emergency Management Services contribute to safer, more resilient and sustainable communities through comprehensive disaster management arrangements, helicopter rescue services and an effective SES.

Fire and Rescue Services provides services in partnership with the community for a safer Queensland. This service area focuses on providing responsive structural fire services to the community, delivering rescue services across all hazards, supporting landholders to manage the risk and impact of landscape fires, partnering with the community to mitigate risks through education and fire safety, supporting owners in building and infrastructure safety and supporting disaster management and community assistance services.

STAFFING[1]

Service areas	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
Services	2			
Ambulance Services		3,839	3,842	3,892
Custodial		2,904	2,856	2,866
Probation and Parole		622	637	655
Emergency Management Services		286	313	320
Fire and Rescue Services		3,124	3,152	3,152
Total		**10,775**	**10,800**	**10,885**

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate FTEs are allocated across the service areas to which they relate.

2011-12 SERVICE SUMMARY[1]

Service areas	Total cost $'000	Sources of revenue			
		State Contribution $'000	User charges $'000	C'wealth revenue $'000	Other revenue $'000
Ambulance Services	575,842	453,607	109,182	..	14,737
Custodial	572,067	543,973	14,107	..	13,987
Probation and Parole	69,750	69,750	..	..	..
Emergency Management Services	91,197	72,240	1,177	5,911	1,139
Fire and Rescue Services	490,316	104,070	53,337	5,364	333,256
Total	**1,799,172**	**1,243,640**	**177,803**	**11,275**	**363,119**

Note:
1. Explanations of variances are provided in the financial statements.

DEPARTMENTAL STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Ambulance Services				
Services standards				
Time within which code 1 incidents are attended:	1			
• 50th percentile response time	2	8.2 minutes	8.2 minutes	8.2 minutes
• 90th percentile response time	3	16.5 minutes	16.8 minutes	16.5 minutes
Gross cost per incident	4	$700	$674	$680
Gross cost per head of population	5,6	$115.50	$119	$122
Other measures				
Percentage of triple zero calls answered within 10 seconds		90%	91.16%	90%
Percentage of non-urgent incidents attended to by the appointment time	7	>70%	76%	>70%
Ambulance service response locations	8	292	294	295
Operational staff as a percentage of total personnel	9	82.6%	82.9%	>82.6%
State contribution ($000)		416,597	422,861	453,607
Other revenue ($000)		117,798	120,794	123,919
Total cost ($000)		533,714	537,821	575,842
Service Area: Custodial				
Service standards				
Escape rate:	10			
• High security facilities	11	0	0	0
• Low security facilities	12,13	<0.57	0.19	<0.57
Assault rates:	14			
• Serious assault (prisoner on officer)	15	<0.02	0.05	<0.02
	16	<0.24	0.89	<0.24
• Assault (prisoner on officer)	15	<0.69	1.23	<0.69
• Serious assault (prisoner on prisoner)	16	<3.87	2.97	<3.87
• Assault (prisoner on prisoner)				
Death rate (unnatural cause only)	17			
• Indigenous	18	Amended	0	0
• Non-Indigenous	19	measures	0.08	0
Proportion of prisoners who are Indigenous	20	New measure	30%	<30%
Cost of containment per prisoner per day	21	$188	$193	$210

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Facility utilisation	22			
• High security facilities	11	85-95%	88%	85-95%
• Low security facilities	12,23	85-95%	54%	85-95%
Financial value of work performed in the community by prisoners from low security facilities	12,24	>$3.0 million	$3.8 million	>$3.5 million
Other measures				
Prisoners in education	25	>28%	28%	>28%
Program completions:	26			
• Sex offender programs	27	320	350	320
• Transition support	28	2,000	2,800	2,000
• Other programs	29	1,000	1,100	1,000
Prisoner employment	30			
• Commercial industries	31	>30%	32%	>30%
Service industries	32	>40%	44%	>40%
State contribution ($000)		477,836	482,801	543,973
Other revenue ($000)		27,797	27,797	28,094
Total cost ($000)		505,633	510,598	572,067
Service Area: Probation and Parole				
Service standards				
Percentage of successfully completed orders:	33			
• Supervision orders	34	Amended	68%	>67%
• Reparation orders	35	measures	54%	>60%
Financial value of community service work performed (court ordered)	36	$7.8 million	$7.1 million	>$7.4 million
Proportion of offenders who are Indigenous	20	New measure	22%	>20%
Cost of supervision per offender per day	37	$10.60	$11	$11
State contribution ($000)		63,779	64,345	69,750
Other revenue ($000)		..	..	..
Total cost ($000)		63,779	64,345	69,750
Service Area: Emergency Management Services				
Services standards				
Percentage of the Queensland community that are aware of SES 132 500 number	38	40%	44%	45%
Other measures				
Percentage of EMQ Helicopter Rescue base availability	39	New measure	82%	85%
Number of people receiving disaster management training	40	3,500 – 4,000	5,200	3,500 – 4,000
Number of SES volunteers	41	7,000	6,800	7,000

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Number of SES volunteer hours of operation	42	70,000 – 80,000	172,000	70,000 – 80,000
State contribution ($000)		92,616	73,349	72,240
Other revenue ($000)		5,089	15,832	8,227
Total cost ($000)		97,677	92,548	91,197
Service Area: Fire and Rescue Services				
Services standards				
Response times to structure fires:	43			
• 50th percentile	44	7.6 minutes	7.7 minutes	7.6 minutes
• 90th percentile	45	<14 minutes	12.3 minutes	<14 minutes
Percentage of structure fires confined to the object/room of origin	43	>70%	72.5%	>70%
Cost per incident	46	$6,454	$6,980	$7,103
Median dollar loss per structure fire	43,47	$2,500	$2,000	$2,500
Property loss from structure fire per person	6,43,48	<$35	$25	<$35
Fire service organisations' expenditure per person	6,49	Amended measure	$109	$110
Other measures				
Percentage of households with fire safety measures	50	43%	40.9%	43%
Percentage of households with operational smoke alarms installed	51	95%	86.6%	95%
Number of road rescue extrications	52,53	<2,500	1,434	<2,500
Number of road rescue incidents	53	<8,000	5,129	<8,000
Number of accidental residential structural fires per 100,000 households	54	Amended measure	48	<65
Number of landscape fires	55	<13,000	4,697	<13,000
Percentage of building premises inspected and deemed complete and compliant	56	>50%	49.8%	>50%
Percentage of building approvals processed within agreed timeframes	57	Amended measure	…	>70%
Operational staff as a percentage of total personnel	58	>75%	75.9%	>75%
Number of hours spent on safety promotion and public education per 100,000 population	6,59,60	>2,000	1,750	>2,000

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Number of hours spent conducting fire safety activities within urban levy areas per 100,000 population	6,60,61	>1,000	1,000	>1,000
State contribution ($000)		103,113	105,058	104,070
Other revenue ($000)		365,456	374,613	391,957
Total cost ($000)		467,943	469,315	490,316

Notes:

1. A code 1 incident is potentially life threatening necessitating the use of ambulance warning devices (lights and/or siren) en route.
2. This measure reports the time within which 50 percent of the first responding ambulance resources arrive at the scene of an emergency in code 1 situations.
3. This measure reports the time within which 90 percent of the first responding ambulance resources arrive at the scene of an emergency in code 1 situations.
4. This measure reports ambulance service expenditure divided by the number of incidents.
5. This measure reports ambulance service expenditure divided by the population of Queensland.
6. Population figure of 4,567,714 used to calculate the 2010-11 Target/estimate was sourced from the Queensland Office of Economic and Statistical Research (OESR) *Australian Demographic Statistics September Quarter 2009* Report. Population figure of 4,532,269 used to calculate the 2010-11 Estimated actual is sourced from the OESR *Australian Demographic Statistics September Quarter 2010* Report. Population figure of 4,704,287 used to calculate the 2011-12 Target/estimate is sourced from the OESR *Projected Population, medium series, 2011 edition.* Population figures are in line with those used in the *Report on Government Services* (ROGS).
7. This measure reports the proportion of medically authorised road transports (excluding Queensland Health and aero medical transports) which arrive on time for a designated appointment.
8. Response locations are primary ambulance response locations where paid, volunteer, or a mix of paid and volunteer ambulance operatives are responding in an ambulance vehicle and providing pre-hospital care.
9. Operational staff are those principally involved in the delivery of front-line ambulance services and include paramedics (student/base level ambulance officers and qualified ambulance officers), patient transport officers and communications centre staff. The total Queensland Ambulance Service personnel includes operational and corporate support staff.
10. This measure reports escapes per 100 prisoners.
11. High security facilities are defined as custodial facilities where the regime for managing prisoners requires them to be confined by a secure perimeter physical barrier, regardless of the individual classifications of the prisoners held within these facilities.
12. Low security facilities are defined as custodial facilities where the regime for managing prisoners does not require them to be confined by a secure perimeter, irrespective of whether a physical barrier exists and regardless of the individual classifications of the prisoners held within these facilities.
13. The majority of low security facilities do not have high levels of perimeter security. The risk of escape is managed through a thorough assessment of prisoners to determine suitability prior to transfer to these facilities.
14. This measure reports assaults per 100 prisoners. All cases involving violence within prisons are referred to the Queensland Police Service's Corrective Services Investigation Unit for investigation. Queensland Corrective Services (QCS) has implemented preventative actions/safety measures to mitigate the number of assaults in prisons.
15. Serious assaults refer to acts of physical violence resulting in injuries requiring medical treatment involving overnight hospitalisation in a medical facility or ongoing medical treatment, as well as all sexual assaults.
16. Assaults refer to acts of physical violence resulting in a physical injury that may or may not require short-term medical intervention but do not involve hospitalisation or ongoing medical treatment.
17. This measure reports deaths by unnatural causes per 100 prisoners. Measure has been amended to provide a breakdown of the death rate between Indigenous and non-Indigenous people in line with ROGS. Following any death in custody, immediate attention is given to any operational issues initially identified. In addition, an investigation is conducted by the Office of the Chief Inspector and the State Coroner.
18. Death rate (unnatural cause only) for Indigenous prisoners is a specific measure of Indigenous prisoner deaths per 100 Indigenous prisoners.
19. Death rate (unnatural cause only) for non-Indigenous prisoners is a specific measure of non-Indigenous prisoner deaths per 100 non-Indigenous prisoners.
20. A key priority of QCS is to reduce the over-representation of Indigenous prisoners in corrective services. Opportunity for the diversion of offenders into community based supervision is improved by the expansion of Probation and Parole into Indigenous communities in the Gulf and Cape areas providing additional capacity to supervise offenders within these communities.
21. This measure reports the average daily cost of providing corrective services per prisoner.
22. This measure reports the annual daily average prisoner population as a percentage of the number of single occupancy cells and designated beds in shared occupancy cells provided for in the design capacity of the prisons. The ROGS optimum prison utilisation rate is generally accepted to fall between 85% and 95%.
23. The Low Security Reform Project and Offender Management Reform Project will continue to assist in identifying offenders for placement in low security facilities. A thorough assessment to determine suitability is completed for prisoners prior to placement in a low security facility and prisoners are only transferred where they present a minimal risk to community safety. A number of low risk offenders who would have been eligible for placement in these facilities are now supervised by Probation and Parole following the introduction of Court-ordered Parole from August 2006.
24. This measure reports the financial value of work performed for the community by prisoners in low security facilities. The contribution by prisoners enables them to make reparation to the community. The higher than expected 2010-11 Estimated actual is a result of the work undertaken by prisoners from low security facilities in supporting recovery efforts in relation to the Queensland flooding and Cyclone Yasi from December 2010 to February 2011.
25. The participation of prisoners in education contributes to their ability to gain and retain employment upon release.

26. This measure reports the expected number of program completions. Service demand was higher than expected in 2010-11 resulting in the increased level of program completions. The 2011-12 Target/estimate is based on the programs funded for delivery during the year.
27. Sex offender programs include preparatory, medium, high and maintenance programs for sexual offenders such as *Crossroad*s, *New Directions* and *Staying on Track*.
28. Transition support is an integrated model that provides transitional support and assistance to prisoners according to their level of reintegration need, assessed re-offending risk and their length of sentence. The model has two key components: the *Transitions Program* and the *Transitional Support Service*.
29. Other programs include violence, substance abuse and general offending programs such as *Making Choices* and *Turning Point*.
30. Participation in prison industries provides prisoners with the opportunity to acquire vocational skills and contributes to their ability to gain and retain employment upon release.
31. Commercial industries are those that employ prisoners operating on a commercial fee for service basis.
32. Service industries are those that employ prisoners to maintain the self-sufficiency of the correctional system and include prisoners employed in charitable work and community projects.
33. This measure has been amended to report at the higher level of supervision and reparation orders to improve the alignment with ROGS. The various types of supervision and reparation orders were previously reported.
34. This measure reports the proportion of supervision orders successfully completed. Supervision orders include a range of orders other than those categorised as restricted movement or reparation and include Probation Orders, Parole Orders (excluding court ordered); Court Ordered Parole Orders; Intensive Correction Orders; and Intensive Drug Rehabilitation Orders.
35. This measure reports the proportion of reparation orders successfully completed. Reparation orders include Community Service Orders and Fine Option Orders, which require offenders to undertake unpaid work.
36. This measure reports the financial value of court ordered work performed by offenders for the community. The contribution by offenders enables them to make reparation to the community. The 2010-11 Estimated actual was affected by a reduction in the number of offenders on community service orders and the impact of Queensland flooding and Tropical Cyclone Yasi from December 2010 to February 2011 affecting some offenders' ability to undertake community service work.
37. This measure reports the average daily cost of providing corrective services per offender.
38. This measure provides an indicator of the level of awareness within the community of the number to call for State Emergency Service (SES) assistance during storm and flood emergencies. The 2010-11 Estimated actual is the result of an online survey undertaken in December 2010. A survey will be conducted annually.
39. This measure reports the extent to which Emergency Management Queensland (EMQ) Helicopter Rescue bases are available for tasking as a proportion of the number of hours in the month.
40. Disaster management training supports the effectiveness of disaster management services by improving participants' knowledge, skills and attitude in the core areas of prevention, preparedness, response and recovery. The number of people receiving disaster management training builds and tests disaster management capability. Greater capability builds community resilience and aids in mitigating disaster risk. Disaster management review implementation training conducted in 2010-11, following proclamation of amendments to the *Disaster Management Act 2003* in August 2010, contributed to the increase in the 2010-11 Estimated actual. The 2011-12 Target/estimate is based on the assumption of a return to normal year activity.
41. This measure represents active members only. An active member is defined as someone who regularly attends training and is available to attend an activation. This measure relates directly to the capability of the SES to deliver its functions under the *Disaster Management Act 2003*, performing activities to help communities prepare for, respond to and recover from an event or disaster. This measure contributes to the *Toward Q2: Tomorrow's Queensland* ambition of Fair - *Increase by 50 percent the proportion of Queenslanders involved in their communities as volunteers*.
42. This measure reports the number of hours of operation performed by volunteers in the SES, such as responses to flood and storm emergencies. In 2010-11 SES volunteers responded to significant events including the Queensland flooding and Cyclone Yasi from December to February 2011. The 2011-12 Target/estimate is based on the assumption of a return to normal year activity.
43. Structure fires are fires in housing and other buildings.
44. This measure reports the time within which 50 percent of the first responding fire appliances arrive at the scene of a structure fire.
45. This measure reports the time within which 90 percent of the first responding fire appliances arrive at the scene of a structure fire. The 2011-12 Target/estimate for the 90th percentile is based on 14 minutes being the key parameter in the establishment of urban fire levy boundaries.
46. The cost per incident is determined by dividing total operating expenses by total Queensland Fire and Rescue Service (QFRS) incidents attended.
47. The 2010-11 Estimated actual is based on the values over the previous five years, due to a systems issue that has now been rectified. It is expected that actual data will be available from 2011-12.
48. The 2010-11 Estimated actual is understated, due to a systems issue that has now been rectified. It is expected that actual data will be available from 2011-12.
49. This measure has been amended to report 'Fire service organisations' expenditure per person' to improve alignment with ROGS. Previously reported 'per 1,000 people'.
50. This measure provides an indication of the percentage of households with non-mandatory fire safety measures such as fire extinguishers, fire blankets and fire escape plans. The 2010-11 Estimated actual is the result of an online survey undertaken in December 2010. The survey is conducted annually. Promotional strategies are being undertaken to increase the percentage of households with fire safety measures in place.
51. This measure provides an indication of the percentage of households with operational smoke alarms installed. The 2010-11 Estimated actual is the result of an online survey undertaken in December 2010. The survey is conducted annually. Promotional strategies are being undertaken to increase the percentage of households with operational smoke alarm installed.
52. Extrications are defined as an assisted release and removal of trapped people from motor vehicles. This measure is a subset of all road rescue incidents.
53. A road rescue is defined as an accident or incident involving a motor vehicle and the presumption that there are injuries or that assistance is required. Flooding and wet weather in 2010-11 resulted in a lower than anticipated number of road rescue incidents and extrications. In September 2009, revised road crash rescue protocols were implemented resulting in a reduction in non-essential attendance by QFRS at mobile property crashes.

54. Accidental residential structure fires are defined as those fires in a residential structure that are not deliberately lit and with effective educational programs can be reduced and prevented from occurring. Measure has been amended to report 'Number of accidental residential structural fires per 100,000 households' to improve alignment with ROGS. Previously reported 'Number of accidental residential structural fires'. The number of Queensland households for 2010-11 (1,697,819) and for 2011-12 (1,740,810) is derived from the *Australian Bureau of Statistics Household and Family Projections, Australia, 2006 to 2031 (Cat. No.3236.0)* Report (Series II) by averaging household data from the start and end of a financial year to derive the financial year midpoint estimate. This methodology is in line with that used in ROGS. There were fewer residential structure fires reported in 2010-11 compared to previous years. The 2011-12 Target/estimate is set using long term trends and projections.
55. Landscape fires include bushfires and grass fires. Flooding and wet weather in 2010-11 resulted in a lower than anticipated number of landscape fires.
56. This measure reports the percentage of Maintenance Inspection Reports conducted and deemed complete and compliant with building fire safety regulations and fire safety procedures in high-risk environments.
57. This measure has been amended to report 'Percentage of building approvals processed within agreed timeframes'. Schedule 15 of the *Sustainable Planning Regulation 2009* states that building approvals are to be completed within 15 business days. Previously reported as 'Number of building approvals processed'. Data for this measure will be available commencing 2011-12 with the introduction of the new Community Safety Operations System.
58. Operational personnel includes permanent and part-time firefighters; and total personnel includes operational and support personnel.
59. This measure reports the time spent by QFRS personnel conducting fire safety promotion and community education activities designed to lead to safer communities - for example, *Roads, Attitudes and Action Planning* (RAAP), *Fire Ed*, and *Operation Safehome*.
60. Operational requirements in response to Queensland flooding and Tropical Cyclone Yasi from December 2010 to February 2011 impacted on QFRS' ability to undertake promotional activities.
61. This measure reports the time spent by QFRS personnel conducting fire safety activities designed to lead to safer communities, including Maintenance Inspection Reports and other types of building Inspections.

INCOME STATEMENT

Department of Community Safety	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue	1,11,20	1,153,941	1,148,414	1,243,640
User charges	2,21	177,304	170,749	177,803
Grants and other contributions	3,12,22	23,438	36,485	27,544
Other revenue	4,13,23	315,398	331,385	346,850
Gains on sale/revaluation of property, plant and equipment and investments		..	417	..
Total income		**1,670,081**	**1,687,450**	**1,795,837**
Expenses				
Employee expenses	5,14,24	1,015,188	1,023,998	1,090,404
Supplies and services	6,15,25	433,749	441,143	466,239
Grants and subsidies	7,16,26	39,269	31,760	35,441
Depreciation and amortisation	8,17,27	167,467	163,052	197,052
Finance/borrowing costs		324	270	250
Other expenses		8,932	6,708	7,960
Losses on sale/revaluation of property, plant and equipment and investments	9,18,28	3,817	7,696	1,826
Total expenses		**1,668,746**	**1,674,627**	**1,799,172**
OPERATING SURPLUS/(DEFICIT)	10,19,29	**1,335**	**12,823**	**(3,335)**

STATEMENT OF CHANGES IN EQUITY

Department of Community Safety	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation surplus		97,660	70,600	76,850
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**97,660**	**70,600**	**76,850**
Surplus/(deficit) for the period		1,335	12,823	(3,335)
Total recognised income and expense for the period		**98,995**	**83,423**	**73,515**
Equity injection/(withdrawal)		126,216	131,888	18,631
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**225,211**	**215,311**	**92,146**

BALANCE SHEET

Department of Community Safety	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	30,41,51	15,917	55,920	44,330
Receivables	31,42	72,964	82,210	82,210
Other financial assets		144	..	..
Inventories		9,483	9,024	8,424
Other	32,43	18,532	10,389	10,389
Non-financial assets held for sale		1,065	1,610	1,610
Total current assets		**118,105**	**159,153**	**146,963**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		79	24	24
Property, plant and equipment	33,44,52	3,591,544	3,444,731	3,538,889
Intangibles	34,53	45,251	35,856	45,723
Other		932	832	832
Total non-current assets		**3,637,806**	**3,481,443**	**3,585,468**
TOTAL ASSETS		**3,755,911**	**3,640,596**	**3,732,431**
CURRENT LIABILITIES				
Payables	35,45	86,273	92,810	92,810
Accrued employee benefits	36,46	40,568	45,615	45,615
Interest-bearing liabilities and derivatives		266	310	325
Provisions		..	..	..
Other	37,47	10,306	886	886
Total current liabilities		**137,413**	**139,621**	**139,636**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		3,042	3,004	2,678
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**3,042**	**3,004**	**2,678**
TOTAL LIABILITIES		**140,455**	**142,625**	**142,314**
NET ASSETS/(LIABILITIES)		**3,615,456**	**3,497,971**	**3,590,117**
EQUITY				
Capital/contributed equity	38,48,54	3,346,532	3,366,556	3,385,187
Accumulated surplus	39,49	7,786	33,463	30,128
Reserves:				
- Asset revaluation surplus	40,50,55	261,138	97,952	174,802
- Other (specify)		..	..	..
TOTAL EQUITY		**3,615,456**	**3,497,971**	**3,590,117**

CASH FLOW STATEMENT

Department of Community Safety	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts	56,65,73	1,153,941	1,148,520	1,243,640
User charges		197,392	195,371	198,211
Grants and other contributions	57,66,74	23,088	34,455	27,194
Other	58,67,75	352,073	367,930	383,525
Outflows:				
Employee costs	59,68,76	(1,015,188)	(1,020,498)	(1,090,404)
Supplies and services	60,69,77	(470,424)	(476,318)	(502,314)
Grants and subsidies	61,78	(39,269)	(31,760)	(35,441)
Borrowing costs		(324)	(270)	(250)
Other		(31,166)	(28,969)	(30,194)
Net cash provided by/(used in) operating activities		**170,123**	**188,461**	**193,967**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		1,500	2,500	3,000
Investments redeemed		..	264	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	62,70,79	(300,255)	(306,376)	(226,877)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(298,755)**	**(303,612)**	**(223,877)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	63,71,80	217,199	222,871	128,380
Outflows:				
Borrowing redemptions		(820)	(841)	(311)
Finance lease payments		..	..	..
Equity withdrawals		(90,983)	(90,983)	(109,749)
Net cash provided by/(used in) financing activities		**125,396**	**131,047**	**18,320**
Net increase/(decrease) in cash held		**(3,236)**	**15,896**	**(11,590)**
Cash at the beginning of financial year		**19,153**	**40,024**	**55,920**
Cash transfers from restructure		..	..	..
Cash at the end of financial year	64,72,81	**15,917**	**55,920**	**44,330**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. The decrease in service revenue principally relates to the transfer of funding for the Community Helicopter Providers to Queensland Health and the deferral of funding from 2010-11 to 2011-12 for various projects. The decrease is partly offset by additional Community Ambulance Cover (CAC) revenue and increased funding to support the delivery of corrective services.
2. The decrease in user charges principally relates to the change in the accounting treatment of goods and services provided to prisoners, partly offset by increased alarm monitoring revenues and building fire safety fees.
3. The increase in grants and contributions is principally due to funding provided under Natural Disaster Relief and Recovery Arrangements (NDRRA) relating to the major flood and tropical cyclone events in 2010-11, increased funding for the Natural Disaster Resilience Program (NDRP) and the donation of two properties to QAS.
4. The increase in other revenue principally relates to the increase in urban fire levy revenue resulting from a growth in leviable properties and a change in the accounting treatment of sales of goods and services to prisoners.
5. The increase in employee expenses principally relates to wage increases approved in the Queensland Industrial Relations Commission QAS determination 2009.
6. The increase in supplies and services expenses principally relates to unforeseen costs incurred under NDRRA relating to the major flood and tropical cyclone events in 2010-11 and the escalation of prison contract operating costs. These increases are partly offset by the deferral of funding for various projects including the AW139 Introduction and Dual Pilot Initiative, Mobile Data Terminal replacement, counter terrorism capability and QAS demand management strategies.
7. The decrease in grants and subsidies is due to the transfer of funding for the Community Helicopter Providers to Queensland Health, partly offset by payments made under the Natural Disaster Mitigation Program (NDMP) and NDRP.
8. The decrease in depreciation is largely due to delays in completing major works projects including the Queensland Emergency Operations Centre.
9. Losses have increased due to the de-recognition expense resulting from the refurbishment of various facilities and other unbudgeted losses on sale of property, plant and equipment including the Cleveland Ambulance Station destroyed by fire.
10. The increase in the operating surplus is the combined effect of notes 1-9 and relates mainly to increased fire levy revenue.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

11. The increase in service revenue principally relates to funding provided for:
    - wage increases approved in the Queensland Industrial Relations Commission QAS determination 2009;
    - provision for other wage increases in accordance with Government wages policy;
    - the full year effect of the additional 75 ambulance officers employed in 2010-11, and the additional 50 ambulance officers to be employed in 2011-12;
    - additional CAC revenue;
    - additional supplementation relating to growth indexation for pensioners exempted from the CAC levy;
    - the commissioning and operation of the Lotus Glen Correctional Centre expansion and redevelopment;
    - the Southern Queensland Correctional Precinct at Gatton;
    - the introduction of global positioning system (GPS) technology to monitor offenders released under the *Dangerous Prisoners (Sexual Offenders) Act 2003*;
    - increased expenses for utility and electricity services and other related costs;
    - the escalation of prison operating contract costs;
    - increase in State contributions in lieu of urban fire levies on Crown properties;
    - additional staff to perform the watch desk function within the State Disaster Coordination Centre (SDCC); and
    - additional staff for regional disaster planning and to strengthen NDRRA claims processing and compliance requirements.

    These increases are partly offset by the transfer of funding for the Community Helicopter Providers to Queensland Health.
12. The increase in grants and contributions is due to additional revenue for the NDRP.
13. The increase in other revenue principally relates to the increase in urban fire levy revenue resulting from a growth in leviable properties and a change in the accounting treatment of sales of goods and services to prisoners.
14. The increase in employee expenses is primarily due to:
    - wage increases approved in the Queensland Industrial Relations Commission QAS determination 2009;
    - provision for other wage increases in accordance with Government wages policy;
    - the full year effect of the additional 75 ambulance officers employed in 2010-11, and the additional 50 ambulance officers to be employed in 2011-12;
    - additional staff for the expanded capacity at Lotus Glen Correctional Centre;
    - additional staff for the introduction of GPS technology to monitor offenders released under the *Dangerous Prisoners (Sexual Offenders) Act 2003;*
    - additional staff to perform the watch desk function within the SDCC; and
    - additional staff for regional disaster planning and to strengthen NDRRA claims processing and compliance requirements.
15. The supplies and services expenses increase is principally due to:
    - costs associated with the commissioning and operation of the expanded Lotus Glen Correctional Centre;
    - the Southern Queensland Correctional Precinct at Gatton;
    - the escalation of prison contract operating costs; and
    - the estimated impact of cost of living increases.
16. The decrease in grants and subsidies is due to the transfer of funding for the Community Helicopter Providers to Queensland Health, partly offset by payments made under the NDMP and NDRP.
17. The increase in depreciation is largely due to the planned addition of property, plant and equipment and revaluation increments for property and major plant.
18. The reduction in the loss on sale of property, plant and equipment reflects the de-recognition expense relating to the major inspection and overhaul of the Bell 412 helicopter and unforeseen losses on sale of property, plant and equipment incurred in 2010-11.

19. The decreased operating result is the combined effect of notes 11-18 and relates mainly to the recognition of Commonwealth grant revenue when received in 2010-11 and prior years.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
20. The increase in service revenue principally relates to funding provided for:
    - wage increases approved in the Queensland Industrial Relations Commission QAS determination 2009;
    - provision for other wage increases in accordance with Government wages policy;
    - the full year effect of the additional 75 ambulance officers employed in 2010-11, and the additional 50 ambulance officers to be employed in 2011-12;
    - additional supplementation relating to growth indexation for pensioners exempted from the CAC levy;
    - the commissioning and operation of the Lotus Glen Correctional Centre expansion and redevelopment;
    - the Southern Queensland Correctional Precinct at Gatton;
    - the introduction of GPS technology to monitor offenders released under the *Dangerous Prisoners (Sexual Offenders) Act 2003*;
    - increased expenses for utility and electricity services and other related costs;
    - the escalation of prison operating contract costs;
    - additional resources to manage increased demand for probation and parole services;
    - increase in State contributions in lieu of urban fire levies on Crown properties;
    - additional staff to perform the watch desk function within the SDCC;
    - additional staff for regional disaster planning and to strengthen NDRRA claims processing and compliance requirements; and
    - the deferral of funding from 2010-11 to 2011-12 for various projects.
21. The increase in user charges principally relates to CPI increases in fees and charges.
22. The decrease in grants and contributions relates to one-off NDRRA funding provided in 2010-11 for the major flood and tropical cyclone events in 2010-11.
23. The increase in other revenue principally relates to the increase in the urban fire levy revenue.
24. The increase in employee expenses is primarily due to:
    - wage increases approved in the Queensland Industrial Relations Commission QAS determination 2009;
    - provision for other wage increases in accordance with Government wages policy;
    - the full year effect of the additional 75 ambulance officers employed in 2010-11, and the additional 50 ambulance officers to be employed in 2011-12;
    - additional staff for the expanded capacity at Lotus Glen Correctional Centre;
    - additional staff for the introduction of GPS technology to monitor offenders released under the *Dangerous Prisoners (Sexual Offenders) Act 2003;*
    - additional staff to perform the watch desk function within the SDCC; and
    - additional staff for regional disaster planning and to strengthen NDRRA claims processing and compliance requirements.
25. The supplies and services expenses increase is principally due to:
    - the deferral from 2010-11 of costs associated with various projects including the AW139 Introduction and Dual Pilot Initiative, QAS Mobile Data Terminal Replacement, counter terrorism capability and QAS demand management strategies;
    - costs associated with the commissioning and operation of the expanded Lotus Glen Correctional Centre;
    - the Southern Queensland Correctional Precinct at Gatton;
    - the escalation of prison contract operating contract costs; and
    - the application of CPI to budgeted expenses.
26. The increase in grants and subsidies relates to payments made under the NDMP and NDRP.
27. The increase in depreciation is largely due to the planned addition of property, plant and equipment and revaluation increments for property and major plant.
28. The reduction in the loss on sale of property, plant and equipment reflects a number of one-off de-recognition expenses and losses on sale of property, plant and equipment incurred in 2010-11, including the Cleveland Ambulance Station which was destroyed by fire.
29. The decreased operating result is the combined effect of notes 20-28, including the effect of the recognition of Commonwealth grant revenue when received in 2010-11 and prior years.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
30. The increase in cash assets is principally a result of the 2009-10 closing cash balance being higher than originally estimated due to an increased operating result for 2009-10 and an increase in the estimated operating result for 2010-11.
31. The increase in receivables is principally due to the expected annual leave reimbursements and other receivables being higher than originally estimated.
32. The decrease in other current assets is principally due to lower than estimated prepaid expenses.
33. Property, plant and equipment decreased principally due to lower than estimated revaluation increments for property and major plant in 2010-11.
34. The decrease in intangibles is due to the reduced level of capital expenditure in 2010-11 and the 2009-10 closing balance being lower than estimated.
35. The increase in payables is principally due to the 2009-10 closing balance being higher than estimated.
36. The increase in accrued employee benefits largely reflects higher than estimated payables for annual leave levy and other employee benefits.
37. The decrease in other current liabilities is due to a change in the accounting treatment of grants.
38. The increase in contributed equity reflects the effect of a change in the accounting treatment of grants in 2009-10 and the timing of equity injections for major building projects.
39. The increase in the accumulated surplus reflects the higher than estimated operating result and the effect of a change in the accounting treatment of grants in 2009-10.
40. The decrease in the asset revaluation surplus is due to lower than estimated revaluation increments for property and major plant in 2009-10 and 2010-11.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
41. The increase in cash assets is principally a result of the 2009-10 closing cash balance being higher than originally estimated due to an increased operating result for 2009-10 and an increase in the estimated operating result for 2010-11.
42. The increase in receivables is principally due to the expected annual leave reimbursements and other receivables being higher than originally estimated.
43. The decrease in other current assets is principally due to lower than estimated prepaid expenses.
44. Property, plant and equipment decreased principally due to lower than estimated revaluation increments for property and major plant in 2010-11.
45. The increase in payables is due to the 2009-10 closing balance being higher than estimated.
46. The increase in accrued employee benefits largely reflects higher than estimated payables for annual leave levy and other employee benefits.
47. The decrease in other current liabilities is due to a change in the accounting treatment of grants.
48. The increase in contributed equity reflects the effect of a change in the accounting treatment of grants in 2009-10 and the timing of equity injections for major building projects.
49. The increase in the accumulated surplus reflects the higher than estimated operating result and the effect of a change in the accounting treatment of grants in 2009-10.
50. The decrease in the asset revaluation surplus is due to lower than estimated revaluation increments for property and major plant in 2009-10 and 2010-11.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
51. The decrease in cash is principally due to capital expenditure planned for 2011-12 and the 2011-12 operating result.
52. The increase in property, plant and equipment is due to the capital program for 2011-12, together with an estimate of the annual revaluation impact on property and major plant.
53. The increase in intangibles is due to the acquisition and development of information technology in 2011-12.
54. The increase in contributed equity is principally due to the equity injections for major building projects.
55. The increase in asset revaluation surplus reflects the revaluation of property and major plant.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
56. The decrease in service receipts principally relates to the transfer of funding for the Community Helicopter Providers to Queensland Health and the deferral of funding from 2010-11 to 2011-12 for various projects. The decrease is partly offset by additional CAC revenue and increased funding to support the delivery of corrective services.
57. The increase in grants and contributions is principally due to funding provided under NDRRA relating to the major flood and tropical cyclone events in 2010-11 and increased funding for the NDRP.
58. The increase in other revenue principally relates to the increase in urban fire levy revenue resulting from a growth in leviable properties and a change in the accounting treatment of sales of goods and services to prisoners.
59. The increase in employee costs principally relates to wage increases approved in the Queensland Industrial Relations Commission QAS determination 2009.
60. The increase in supplies and services expenses principally relates to unforeseen costs incurred under NDRRA relating to the major flood and tropical cyclone events and the escalation of prison contract operating costs. These increases are partly offset by the deferral of funding for various projects including the AW139 Introduction and Dual Pilot Initiative, Mobile Data Terminal Replacement, counter terrorism capability and other demand management strategies.
61. The decrease in grants and subsidies is due to the transfer of funding for the Community Helicopter Providers to Queensland Health, partly offset by payments made under the NDMP and NDRP.
62. The increase in payments for property, plant and equipment principally relates to the timing of expenditure for capital projects including the Lotus Glen Correctional Centre and the Southern Queensland Correctional Centre at Gatton.
63. The increase in equity injections principally relates to the timing of expenditure for capital projects.
64. The increase in cash is principally a result of the 2009-10 closing cash balance being higher than originally estimated due to an increased operating result for 2009-10 and an increase in the estimated operating result for 2010-11.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
65. The increase in service receipts principally relates to funding provided for:
    - wage increases approved in the Queensland Industrial Relations Commission QAS determination 2009;
    - provision for other wage increases in accordance with Government wages policy;
    - the full year effect of the additional 75 ambulance officers employed in 2010-11, and the additional 50 ambulance officers to be employed in 2011-12;
    - additional CAC revenue;
    - additional supplementation relating to growth indexation for pensioners exempted from the CAC levy;
    - the commissioning and operation of the Lotus Glen Correctional Centre expansion and redevelopment;
    - the Southern Queensland Correctional Precinct at Gatton;
    - the introduction of GPS technology to monitor offenders released under the *Dangerous Prisoners (Sexual Offenders) Act 2003*;
    - increased expenses for utility and electricity services and other related costs;
    - the escalation of prison operating contract costs;
    - increase in State contributions in lieu of urban fire levies on Crown properties;
    - additional staff to perform the watch desk function within the SDCC; and
    - additional staff for regional disaster planning and to strengthen NDRRA claims processing and compliance requirements.

    These increases are partly offset by the transfer of funding for the Community Helicopter Providers to Queensland Health.
66. The increase in grants and contributions is due to additional revenue for the NDRP.
67. The increase in other revenue principally relates to the increase in urban fire levy revenue resulting from a growth in leviable properties and a change in the accounting treatment of sales of goods and services to prisoners.

68. The increase in employee expenses is primarily due to:
    - wage increases approved in the Queensland Industrial Relations Commission QAS determination 2009;
    - provision for other wage increases in accordance with Government wages policy;
    - the full year effect of the additional 75 ambulance officers employed in 2010-11, and the additional 50 ambulance officers to be employed in 2011-12;
    - additional staff for the expanded capacity at Lotus Glen Correctional Centre;
    - additional staff for the introduction of GPS technology to monitor offenders released under the *Dangerous Prisoners (Sexual Offenders) Act 2003;*
    - additional staff to perform the watch desk function within the SDCC; and
    - additional staff for regional disaster planning and to strengthen NDRRA claims processing and compliance requirements.
69. The supplies and services expenses increase is principally due to:
    - costs associated with the commissioning and operation of the expanded Lotus Glen Correctional Centre;
    - the Southern Queensland Correctional Precinct at Gatton;
    - the escalation of prison contract operating contract costs; and
    - the estimated impact of cost of living increases.
70. The decrease in payments for property, plant and equipment principally relates to the timing of expenditure for capital projects including the Lotus Glen Correctional Centre and the Southern Queensland Correctional Centre at Gatton.
71. The decrease in equity injections principally relates to the timing of expenditure for capital projects.
72. The increase in cash is principally a result of the 2009-10 closing cash balance being higher than originally estimated due to an increased operating result for 2009-10 and an increase in the estimated operating result for 2010-11.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
73. The increase in service receipts principally relates to funding provided for:
    - wage increases approved in the Queensland Industrial Relations Commission QAS determination 2009;
    - provision for other wage increases in accordance with Government wages policy;
    - the full year effect of the additional 75 ambulance officers employed in 2010-11, and the additional 50 ambulance officers to be employed in 2011-12;
    - additional supplementation relating to growth indexation for pensioners exempted from the CAC levy;
    - the commissioning and operation of the Lotus Glen Correctional Centre expansion and redevelopment;
    - the Southern Queensland Correctional Precinct at Gatton;
    - the introduction of GPS technology to monitor offenders released under the *Dangerous Prisoners (Sexual Offenders) Act 2003;*
    - increased expenses for utility and electricity services and other related costs;
    - the escalation of prison operating contract costs;
    - additional resources to manage increased demand for probation and parole services;
    - increase in State contributions in lieu of urban fire levies on Crown properties;
    - additional staff to perform the watch desk function within the SDCC;
    - additional staff for regional disaster planning and to strengthen NDRRA claims processing and compliance requirements; and
    - the deferral of funding from 2010-11 to 2011-12 for various projects.
74. The decrease in grants and contributions relates to one-off NDRRA funding provided in 2010-11 for the major flood and tropical cyclone events of 2010-11.
75. The increase in other revenue principally relates to the increase in the urban fire levy revenue.
76. The increase in employee expenses is primarily due to:
    - wage increases approved in the Queensland Industrial Relations Commission QAS determination 2009;
    - provision for other wage increases in accordance with Government wages policy;
    - the full year effect of the additional 75 ambulance officers employed in 2010-11, and the additional 50 ambulance officers to be employed in 2011-12;
    - additional staff for the expanded capacity at Lotus Glen Correctional Centre;
    - additional staff for the introduction of GPS technology to monitor offenders released under the *Dangerous Prisoners (Sexual Offenders) Act 2003;*
    - additional staff to perform the watch desk function within the SDCC; and
    - additional staff for regional disaster planning and to strengthen NDRRA claims processing and compliance requirements.
77. The supplies and services expenses increase is principally due to :
    - the deferral from 2010-11 of costs associated with various projects including the AW139 Introduction and Dual Pilot Initiative, QAS Mobile Data Terminal Replacement, counter terrorism capability and other demand management strategies;
    - costs associated with the commissioning and operation of the expanded Lotus Glen Correctional Centre;
    - the Southern Queensland Correctional Precinct at Gatton;
    - the escalation of prison contract operating contract costs; and
    - the application of CPI to budgeted expenses.
78. The increase in grants and subsidies relates to payments made under the NDMP and NDRP.
79. The decrease in payments for property, plant and equipment principally relates to the planned expenditure in 2011-12 for capital projects including the Lotus Glen Correctional Centre and the Southern Queensland Correctional Centre at Gatton.
80. The decrease in equity injections principally relates to the planned expenditure in 2011-12 for capital projects.
81. The decrease in cash is principally due to capital expenditure planned for 2011-12 and the 2011-12 operating result.

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By authority: S. C. Albury, Acting Government Printer, Queensland 2011

State Budget 2011–12

Service Delivery Statements

Book 1

www.budget.qld.gov.au

Service Delivery Statements

Book 1	Book 2	Book 3	Book 4	Book 5
Department of the Premier and Cabinet	Department of Employment, Economic Development and Innovation	Department of Communities	Legislative Assembly of Queensland	Appendix – Discontinued performance measures
Office of the Governor	Department of Local Government and Planning	Department of Education and Training		
Public Service Commission	Department of Transport and Main Roads	Department of Environment and Resource Management		
Queensland Audit Office	Department of Public Works	Department of Police		
Treasury Department		Department of Justice and Attorney-General		
Department of Health		Electoral Commission of Queensland		
Department of Community Safety		Office of the Ombudsman		
		Public Trust Office		

Queensland Government

State Budget 2011–12

Service Delivery Statements

Book 1

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State Budget 2011–12

Service Delivery Statements

Book 2

Queensland Government

2011–12 State Budget Papers

1. Budget Speech

2. Budget Strategy and Outlook

3. Capital Statement

4. Budget Measures

5. Service Delivery Statements

Budget Highlights

This suite of Budget Papers is similar to that published in 2010–11.

The Budget Papers are available online at www.budget.qld.gov.au. They can be purchased through the Queensland Government Bookshop – individually or as a set – by phoning 1800 801 123 or at www.bookshop.qld.gov.au

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Service Delivery Statements
Book 2
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BOOK 2

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PART 8

Department of Employment, Economic Development and Innovation

Summary of departmental portfolio budgets

Page	Agency	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
2-1	Department of Employment, Economic Development and Innovation - controlled	1,056,369	1,147,287	1,251,319
	Department of Employment, Economic Development and Innovation - administered	457,429	497,952	473,774
2-46	Property Services Group	96,157	108,856	99,483
2-55	Australian Agricultural College Corporation	25,229	22,503	22,815
2-63	Energy and Water Ombudsman Queensland	4,943	5,643	6,092
2-70	QRAA	20,774	168,560	172,819
2-78	Tourism Queensland	63,700	81,116	64,103

Note: Explanations of variances are provided in the financial statements.

DEPARTMENTAL OVERVIEW

MINISTERIAL RESPONSIBILITY

The Department of Employment, Economic Development and Innovation (DEEDI) has six responsible Ministers: Treasurer and Minister for State Development and Trade; the Minister for Energy and Water Utilities; the Minister for Main Roads, Fisheries and Marine Infrastructure; the Minister for Agriculture, Food and Regional Economies; the Minister for Employment, Skills and Mining and the Minister for Tourism, Manufacturing and Small Business.

STRATEGIC ISSUES

DEEDI will remain focussed on achieving the *Toward Q2: Tomorrow's Queensland* ambitions and targets through its continued goal of developing a globally competitive, sustainable Queensland economy. To do this, DEEDI has three strategic objectives which form the overarching themes for the department's work:

- creating the conditions for business success
- helping businesses and individuals respond to the economic challenges they face
- integrating our service delivery to customers.

DEEDI is the lead department responsible for delivering:

- the government's plan to create 100,000 new jobs by 2012
- the Council of Australian Governments (COAG) commitment to halve the gap in employment outcomes between Indigenous and non-Indigenous Australians within a decade (by 2018)
- *Toward Q2: Tomorrow's Queensland* ambitions and targets:
  - Strong: *Queensland is Australia's strongest economy, with infrastructure that anticipates growth*;
  - Strong: *Increase by fifty percent the proportion of Queensland businesses undertaking research and development or innovation*; and
  - Fair: *Halve the proportion of Queensland children living in households without a working parent.*

DEEDI also contributes to the national energy and resources market development policy agenda through the COAG Standing Council on Energy and Resources.

Queensland has recently faced a number of economic challenges. Just as the economy was recovering from the Global Financial Crisis (GFC) it faced statewide unprecedented natural disasters spanning the 2010-11 summer. DEEDI is leading the Government's efforts in the rapid restoration of a competitive and sustainable Queensland economy.

DEEDI developed the 'Economic Recovery Roadmap' to coordinate the State's economic recovery and support the Queensland Reconstruction Authority (QRA) through the Economic Line of Reconstruction. The QRA reports to the Premier as Minister for Reconstruction while assistance is administered by the QRAA. DEEDI also established the 'Economic Recovery Coordination Group' and four industry subgroups in the areas of tourism, agriculture, resources and energy, and business to engage industry, local governments and other relevant groups in recovery and reconstruction efforts.

A major focus for the coming year will be continuing to support businesses in agriculture, mining, tourism and small business to recover and to build stronger and more resilient regions. This extends beyond the reconstruction task to embrace the wider commitment to regional economies set out in the draft Queensland Regionalisation Strategy. The Strategy describes the economic 'catchments' which are the main features of our regional economy.

In addition to the economic impacts of the disaster events, weak non-mining productivity growth and the high Australian dollar have weighed on Queensland's international competitiveness. However, strong capital investment in recent years, particularly in the resource and government infrastructure areas, may be expected to underpin Queensland's future productivity growth. To keep pace with labour demands and address an ageing workforce, efforts to raise workforce participation and attract people with the right skills remains a key priority.

Risks include an escalation of sovereign debt concerns in Europe; the timing of Japan's recovery from the earthquake and tsunami; a sharper than expected slowdown in China following efforts to contain inflationary pressures; and a worsening of political unrest in the Middle East and North Africa leading to higher oil prices. By fostering economic diversity across supply chains and in multiple regions, DEEDI is helping to increase Queensland's resilience against future global shocks and supporting prosperity during and after the current resources boom. While our regions have various economic strengths, they will benefit from strong public services and a commitment at every level of government for cooperative development.

While the recent natural disasters will impact the Queensland economy in the short term, a recovery in exports following the floods, the rebuilding effort and surging business investment in the resource sector in particular are expected to support strong economic growth in 2011-12

DEEDI's efforts to support a strong and diversified economy aim to position the State economy into the future. Initiatives to support this include supply chain work on opportunities in emerging growth industries such as Liquefied Natural Gas (LNG), clean energy and food. Building on our established competitive strengths in mining, agriculture and tourism, we aim to create new opportunities along the supply chain to help grow the Queensland economy.

The LNG industry will add substantially to the diversity and strength of the Queensland economy. The Queensland Government has three key priorities in guiding the LNG industry forward:

- facilitating the development of a competitive, world class industry that generates jobs for Queensland
- protecting Queensland's natural resources by implementing a strong regulatory system
- ensuring regional communities and local industry are able to maximise the resulting opportunities.

DEEDI will invest $100 million over three years through Smart State – Investment for the Future, to support research talent in Queensland, focus on high-priority projects and infrastructure, and drive the innovation imperative to achieve business and commercial outcomes.

The Government is also encouraging investment in the renewable energy industry and managing growth in electricity demand through the proposed Queensland Renewable Energy Industry Development Plan, the Solar Energy Package and demand management and energy efficiency initiatives.

The emerging Queensland Food Policy is developing a whole of value chain approach to Queensland's food industry. It will address major issues impacting on the food sector and help position Queensland's food industry into the future.

The addition of the Coordinator-General functions to the DEEDI portfolio in February 2011 further strengthens DEEDI's ability to lay the foundations for, and respond to, emerging economic opportunities across the State. The Coordinator-General has a direct role in overseeing decisions related to integrated infrastructure and land planning.

2011-12 HIGHLIGHTS

Creating the conditions for business success

During 2011-12, DEEDI will help foster an environment where Queensland's economy recovers and grows through:

- leading the economic line of reconstruction detailed in Operation Queenslander – the State Plan. This is a statewide Community, Economic and Environmental Recovery and Reconstruction Plan which outlines six lines of reconstruction and nominates implementation subcommittees for each line. The Economic subcommittee aims are to facilitate the rapid restoration of a competitive, sustainable Queensland economy and will:
  - advise the Queensland Reconstruction Authority on measures required to achieve economic growth; and
  - guide the implementation of an economic recovery roadmap that responds to business needs and helps Queensland's economy to recover.
- maximising growth and economic opportunities for Queensland through:
  - implementation of the proposed Queensland Regionalisation Strategy; and
  - strengthening regional planning arrangements through developing and implementing economic strategies that support employment and economic growth in accordance with the intent of regional plans.
- strengthening the Regional Development Australia initiative in Queensland, in partnership with the Australian Government, with a focus on providing strategic advice on regional development priorities, such as progressing the regionalisation agenda and Queensland's economic recovery, developing regional workforces and capitalising on the National Broadband Network
- DEEDI will invest $100 million over three years through Smart State – Investment for the Future, to support research talent in Queensland, focus on high-priority projects and infrastructure, and drive the innovation imperative to achieve business and commercial outcomes
- deliver a new $1 million program designed to enhance the capability of tourism operators in a rapidly changing global market, building on the $12 million Tourism Industry Support Package
- continuing support for infrastructure projects such as:
  - acquiring land and progressing critical infrastructure projects such as the upgrade of the Whitsunday Coast Airport, and the monitoring of industrial land requirements in Townsville, North West and North East Minerals Provinces, Mackay, Rockhampton and Ipswich;

  - delivering the Airport Link and Northern Busway Upgrade and the Wyaralong Dam projects that are due for completion in 2012;
  - the purchase of land for the Gold Coast Showground;
  - redeveloping the Gold Coast Parklands; and
  - developing the Heritage Management Plan for the Regent Theatre redevelopment.
- creating opportunities to lift the skills profile in the agricultural sector to help it continue to grow by partnering agri-business extension services with accredited training outcomes
- supporting economic development activities in the Surat and Galilee Basins and the Northern Economic Region through the following initiatives:
  - stimulating exploration investment in Queensland by identifying new mineral and energy provinces and revitalising mature provinces. The $18 million Greenfields 2020 program promotes the use of new ideas and technologies to provide new information; and
  - maximising the growth potential of the Coal Industry over the next two decades to 2030 and beyond by providing a coordinated, sustainable and environmentally responsible approach to infrastructure planning and delivery across government and industry.
- DEEDI will continue to work with Skills Queensland to determine the direction of workforce development, employment programs and skilled migration, and ensure the people it invests in under the Skilling Queenslanders for Work Initiative are considered to be in areas of industry labour shortage.

In 2011-12 DEEDI will continue to facilitate a business climate which promotes Queensland as the place to do business by:

- establishing a Queensland Business Commissioner to identify systemic regulatory issues that impact on business productivity and provide recommendations to the Government
- continuing to work with industry to maintain its commitment to support Queensland's export education
- supporting industry growth sectors and encouraging new investment in Queensland:
  - investing up to $3 million in the new Plant Centre of Excellence on the Darling Downs to boost the national research, development and extension system which aims to grow Queensland's $900 million grains industry;
  - supporting Queensland's $4.5 billion beef industry and improving Queensland's biosecurity capability by partnering with James Cook University in Townsville to construct a new Biosecurity Laboratory valued at approximately $17 million as part of the 2020 Beef initiative;
  - partnering with industry to reform sugar-related research and development with a focus on increasing the long term productivity growth of Queensland's $940 million cane crop;
  - encouraging and facilitating the safe production of geothermal energy for the benefit of all Queenslanders by the commencement of the *Geothermal Energy Act 2010*;
  - encouraging inward investment by companies into Queensland through the Queensland Investment Incentive Scheme, with an additional focus on incentives for firms to locate in regional Queensland; and
  - supporting new industries of the future like LNG and solar energy.
- enabling industry development in the mining and energy sector including:
  - ensuring adequate supply of gas to service demand from both domestic users and the State's emerging LNG export industry by using the 2011 Gas Market Review to inform prices, investment and public policy; and

  - exploring and finding possible carbon dioxide storage reservoirs by conducting a drilling program in collaboration with industry, and other government and research partners.
- supporting regional economic development projects including:
  - facilitating the construction of infrastructure including a $15 million new industrial precinct within the Brisbane Western Corridor; a $5 million road corridor in the northern Aldoga precinct of the Gladstone State Development Area; completing a Materials Transportation and Services Corridor and purchasing $16.3 million of land for the development of an aerospace industry park adjacent to the RAAF base at Amberley; and
  - investing $7.5 million over four years to deliver business growth, investment attraction and employment generation through the Queensland Regional Development Initiative.
- simplifying regulations to make them more consistent, fair and effective including:
  - reducing the regulatory impost on Queensland Industry by streamlining the mining regulatory platform including applications for small scale mining activities;
  - coordinating whole-of-government responses to social impact assessment for mining and petroleum developments; and
  - assessing the potential environmental, economic and social impacts of development and determining ways in which any impacts could be minimised through the Environmental Impact Statements (EIS) process.
- aiming to increase visitor numbers and expenditure by continuing implementation of the Queensland Tourism Action Plan to 2012 through marketing campaigns and development of new infrastructure opportunities.

Throughout 2011-2012, DEEDI will ensure that Queensland's economy is protected now and into the future by:

- continuing to protect the State's industries from invasive pests and diseases by investing:
  - $3.5 million to deliver the Biosecurity Strategy and a single Biosecurity Bill;
  - an additional $6 million above the investment under national cost sharing arrangements, to maintain the National Red Imported Fire Ant Eradication Program. Through wide scale surveillance using the newly developed fire ant remote sensing technology in combination with the large treatment program, the program will improve the likelihood of the eradication of fire ants; and
  - $0.8 million to assist Queenslanders respond to the impacts of myrtle rust through a combined program, including disease management, improving disease knowledge and understanding, education and training, as well as communication and community engagement.
- transition the Asian Honey Bee response in the Cairns region from one of eradication to one of ongoing management following a decision in January 2011, by the National Management Group, that the current eradication program was unlikely to succeed. The new program will feature surveillance, including with the newly validated odour detection dog, community engagement and research into new technologies like remote poisoning. The program will be supported by $2 million from the Australian Government
- facilitating secure, reliable, cost-competitive energy supply which promotes renewable energy sources and minimises carbon emissions and environmental impacts by:

  - making solar power more affordable to Queenslanders and stimulating the solar renewable energy industry by investing $32.9 million on a range of solar energy initiatives. This includes the continuation of the Solar Bonus and the Solar Hot Water Rebate schemes and the progression of a number of significant infrastructure projects aimed at lowering Queensland's emissions and helping to achieve the *Toward Q2: Tomorrow's Queensland* Green ambition and target: *Cut by one third Queenslanders carbon footprint with reduced car and energy use;*
  - analysing the impacts of a carbon constrained economy on Queensland industry and providing support to small and medium sized enterprises in relation to energy management;
  - supporting the Queensland Competition Authority's public consultation and stakeholder engagement process to facilitate the introduction of a new retail electricity pricing methodology and tariff structure;
  - strengthening competition in the Queensland retail electricity market by supporting the development of a new retail electricity pricing framework; and
  - developing the Queensland Renewable Energy Industry Development Plan to grow the renewable energy industry in Queensland, attract investment in low emissions technology and better prepare Queensland's economy for impacts under carbon constrained conditions.
- reducing peak electricity demand in Queensland by continuing a range of energy conservation and demand management measures including:
  - the development and promotion of tariffs which incentivise energy efficient behaviour and encourage customers to shift energy consumption to off peak times;
  - energy use management practices in master planned residential, commercial and industrial developments and major refurbishments as part of the Clean Energy Communities Initiative; and
  - new electricity load management technologies for common household appliances such as air conditioners, pool pumps and hot water systems.
- managing risks and impacts to production, the environment and health and safety by:
  - facilitating the Curtis Island Environment Management Precinct to recognise, protect and maintain significant ecological, environmental and heritage areas on the southern part of Curtis Island utilising the $20 million contribution by the liquefied natural gas proponents; and
  - supporting the safe and sustainable growth of the Coal Seam Gas (CSG) industry by ensuring all CSG companies maintain high safety standards in their operations. The Well Head Safety Initiative includes provisions for the development of a Code of Practice for well head detection, remediation and reporting and improving mine safety training.
- increasing the long-term resilience and business capability of the tourism industry in response to the unprecedented natural disasters of December 2010-January 2011 by developing new and extending existing business improvement programs to tourism operators.

Helping businesses and individuals respond to the economic challenges they face

DEEDI will continue to support existing businesses to grow and maintain jobs by:

- focusing on means to support new supply chain and emerging economic development opportunities that build on Queensland's competitive strengths
- assisting a range of businesses, especially manufacturers, to increase sales, investment and exports, and improve productivity by delivering performance programs in partnership with QMI Solutions

- helping Queensland companies to gain work on major projects through implementation of the Local Industry Policy in conjunction with the Industry Capability Network Queensland
- supporting business sustainability and employment across the state through the Jobs Assist program
- assisting businesses in growth mode to address commercial challenges through delivery of Mentoring for Growth programs
- continuing to focus effort on recovery support for businesses and building stronger and more resilient regions by:
  - working with local councils to assist in their recovery and providing a range of assistance in recovery planning;
  - implementing the Back in Business strategy to inform domestic and global markets that Queensland is open and ready to trade;
  - administering grants and concessional loans under the Natural Disaster Relief and Recovery Arrangements (NDRRA);
  - working on Industry Supply Chain Recovery Plans across a range of industries such as dairy, horticulture, beef, grain, cotton and fishing/aquaculture, in conjunction with relevant industry peak bodies;
  - reducing the burden on disaster affected businesses by minimising planning, regulatory or other obstacles that impact unnecessarily on business confidence and recovery;
  - developing plans to assist industries such as commercial fishers and aquaculture industry;
  - providing financial counsellors to assist producers obtain financial assistance through QRAA;
  - extending the Jobs Assist program through the implementation of the Flood and Cyclone Recovery Business Program which provides assistance to eligible businesses to engage a specialist to conduct a business assessment and develop an action plan; and
  - in partnership with QMI Solutions and the Federal Government's Enterprise Connect, delivering regional recovery clinics and one-on-one support projects throughout Queensland to assist manufacturing firms recover as quickly as possible.

DEEDI will continue to build the capacity of people experiencing difficulties entering or staying in employment to participate in learning and work through:

- providing 1,100 job opportunities for residents of communities affected by the recent natural disasters under the 2011 Queensland Natural Disasters Jobs and Skills package, to support the recovery effort, mitigate skills shortages, and ensure local residents have the opportunity to remain in their local communities
- providing more than 24,000 Queenslanders, to those who are jobless or under-employed, with job-related assistance and skills training under the Skilling Queenslanders for Work initiative
- continuing the three-year $57 million Green Army commitment to provide 3,000 jobs in Queensland
- developing appropriate skills in the renewable energy sector through the Renewable Energy Skills strategy as part of the proposed Renewable Energy Industry Development Plan
- developing specific projects with the resources sector to upskill jobseekers tailored to address the requirements of large-scale projects.

In 2011-12 DEEDI will continue to develop a supportive innovation environment by:

- providing $5 million over five years through the Smart Futures Fund to establish the Queensland Centre for Social Science Innovation (QCSSI). This program aims to break the cycle of social disadvantage by investigating how Government policy can be improved to tackle poverty and other forms of social disadvantage
- providing $41.6 million through the Innovation Building Fund and the Smart State Research Facilities Fund for projects such as the Queensland Tropical Health Alliance
- increasing levels of business innovation and international and domestic competitiveness through the coordination of Research and Development Forums, Tech Clinics and other targeted initiatives
- helping Queensland businesses reach a targeted global audience, grow their customer base and access new markets through the provision of an integrated package of business skills and online resources through the Digital Economy Toolkit
- continuing the two year $2.5 million "What's Your Big Idea Queensland" program to assist Queensland's small to medium sized enterprises to develop their innovative projects.

Integrating our service delivery to customers

DEEDI will continue to develop services that anticipate and meet customer needs by:

- providing services in ways that let our customers do business with us more easily by providing 50% of relevant DEEDI services online by 2012
- joining forces with other State Government agencies, local authorities, peak industry bodies and associations and the community to help businesses, communities and individuals affected by the summer of natural disasters in 2010-11
- integrating planning and delivering of key services and:
  - improving service delivery on the Atherton Tablelands by consolidating resources in a new client training centre in Mareeba in conjunction with the Australian Agriculture Colleges Corporation and $2 million at Walkamin Research facility, while retaining 27 hectares at the Kairi research field site;
  - contributing toward the progress of Queensland Children's Hospital by managing the planned use and development of infrastructure in the Queensland Children's Hospital State Development Area;
  - delivering the final stage of the Government's commitment to ensure that more than 90 % of Queenslanders will have access to fluoridated water by 2012; and
  - implementing the National Energy Customer Framework in Queensland which will
  - improve the level of protection afforded to energy customers.

RECENT ACHIEVEMENTS

Creating the conditions for business success

During 2010-11, DEEDI helped Queensland's economy recover and grow by:

- providing emergency response and recovery support as a consequence of natural disasters including:
  - establishing the Economic Recovery Coordination Group to provide for the exchange of critical recovery and reconstruction information between industry and all levels of government. Four industry sub groups in the areas of tourism, agriculture, resources and energy, and business have been established to support the work of the Economic Recovery Coordination Group;

  - supporting flood and cyclone recovery through the implementation of the $20 million Rural Resilience Package for Cyclone Yasi affected areas for the agriculture and tourism industries. The program includes industry and flood recovery officers, farm financial counsellors, debris and chemical clean-up and specific industry assistance;
  - directing 900 Green Army jobs to disaster-affected areas through the Queensland Natural Disasters Jobs and Skills package;
  - working closely with the RSPCA, local governments, the Australian Veterinary Association and livestock industries to rescue animals, coordinate the provision of emergency housing and assist in the return of displaced animals. Support was also provided to assist in the management of flood-related issues associated with intensive livestock industries to prevent adverse animal welfare outcomes;
  - allocating $1.7 million from the Racing Industry Capital Development Scheme to Racing Queensland, to undertake flood remediation works at race clubs across the State;
  - assisting tourism operators to recover and become more resilient by implementing the joint Queensland-Australian Government $12 million Tourism Industry Support package, incorporating $10 million in international and domestic marketing campaigns, and a $2 million package of business support initiatives;
  - developing alternative banana certification arrangements to enable interstate trade of salvaged bananas from plantations destroyed by Cyclone Yasi. This allowed certification of the fallen fruit for continued access to restricted markets for two weeks of harvesting to 17 February 2011;
  - providing producers with a clear diagnosis of crop pest and disease issues through the post-flood plant diagnostic service offered by DEEDI scientists. The service allowed a quick crop yield saving response to be undertaken by producers to ensure a speedy recovery from the adverse weather conditions during the 2010-11 summer;
  - assisting the Queensland Branch of the Australian Information Industry Association to coordinate the supply of computers and associated infrastructure to Business Recovery Centres in Ipswich and Teneriffe;
  - partnering with industry to facilitate a swift industry recovery particularly in the agricultural industries; and
  - advocating immediate industry priorities to the QRA and local governments such as the reconstruction of transport and infrastructure arterials.
- facilitating exports through improving the competitiveness of supply chains in the avocado and mango industries
- demonstrating Queensland's readiness to engage in trade, investment and business activities by:
  - engaging with industry and stakeholders to identify the challenges and opportunities for the development of a bio-based industrial products sector in Queensland, through the release of a discussion paper;
  - facilitating over $6 billion in investment and 3,250 new construction jobs and protecting 2,923 existing jobs in the coal, minerals and CSG industries through case management of 15 resource priority projects to tenure approval;
  - stimulating exploration investment through the awarding of grants potentially worth $2.4 million for 21 projects under the Collaborative Drilling Initiative which is being continued under the Greenfields 2020 Program. 45 projects have already been completed leveraging $32.6 million in industry exploration expenditure;
  - providing export assistance which generated over $1.3 billion and attracted $858 million (as at 5 May 2011) worth of investment for Queensland companies;

- establishing an in-market trade representative for the first time in Latin America (Chile); appointing a new Special Trade Representative to Africa as well as a Special Representative to Papua New Guinea, based in Cairns; and targeting Vietnam by establishing in-market representation through Austrade; and
- issuing contracts to various Australian companies under the Australian Government funded Australia-China Coal Mine Safety Demonstration Project, to achieve mine safety outcomes at the Xuandong Mine in China.

- supporting local suppliers and Queensland's significant industry sectors (including mining, tourism, manufacturing, agriculture and livestock) by:
  - developing in conjunction with stakeholders, an industry development framework for Queensland's $18 billion food industries;
  - establishing the first statewide industry association for Queensland life sciences through the Queensland Government's commitment of $1.9 million. Life Science Queensland (LSQ) will promote the growth of firms and organisations in areas such as agribiotech, health and medical, industrial biotech and animal health;
  - supporting Queensland's seafood producers to generate $160 million exports, as Queensland fisheries have been shown to meet the Australian Government's ecological sustainability guidelines;
  - providing just under $33 million over five years to establish the Queensland Alliance for Agriculture and Food Innovation (QAAFI) as a joint initiative with the University of Queensland. QAAFI is a centre of research excellence which is generating outcomes that will assist in growing Queensland's food and agribusiness sector; and
  - appointing the first ever Queensland Gas Commissioner and publishing the inaugural Queensland Annual Gas Market Review, as part of the development of the gas market in Queensland.

DEEDI promoted Queensland as the place to do business by:

- integrating economic policy in planning and infrastructure priorities to strengthen Queensland's productivity, economy and regions including:
  - providing financial support worth $1.9 million to Regional Development Organisations for 24 regional development projects through the Queensland Regional Development Initiative;
  - leading the Regional Development Australia initiative in Queensland, in partnership with the Australian Government. The initiative provides strategic advice on regional development priorities to all levels of government to inform policy and program development;
  - developing the environment in the Surat Basin to drive growth through the 'Surat Basin Future Directions Statement', which established the policy and planning frameworks for this high growth resource region; and
  - continuing to implement the Townsville Futures Plan which identifies priority sectors and action plans that are aimed at turbo charging economic opportunities and improving economic conditions in the region.
- shaping Queensland and national policies relating to the marine aquaculture sector by progressing the development of the draft Great Sandy Regional Marine Aquaculture Plan (GSRMAP) as a conservation agreement
- releasing the Queensland Timber Plantation Strategy 2020 (QTPS) on 20 July 2010. This strategy was the first of its kind for Queensland. Developed in consultation with a broad range of timber plantation sector stakeholders it outlines the Queensland Government's policy objective of providing an investor-ready environment to encourage and support new private investment in the timber plantation sector

- working with industry, community and government to position Queensland for changes in business environments and community expectations including:
  - playing a key role in stakeholder engagement for the emerging LNG industry and introducing new land access laws across all resource sectors;
  - improving regional coverage and focus on required compliance levels for new industry sectors such as CSG/LNG by appointing nine new petroleum and gas inspectors and one investigator resulting in increased inspection programs;
  - assisting two LNG projects reach their final investment decision with a combined investment of over $30 billion; and
  - developing a comprehensive submission to the Queensland Competition Authority (QCA) on the government's position in response to the QCA's draft decision on the electricity Benchmark Retail Cost Index for 2011-12.
- supporting the discovery and spread of knowledge and technologies to improve business outcomes and Queensland lifestyles by:
  - providing $39.7 million through the Smart Sate Research Facilities Fund and Innovation Building Fund for key research infrastructure;
  - supporting world class research by providing $16.5 million through the Smart Futures Fund for university research organisations under the Queensland National and International Research Alliances Program (NIRAP) and Research-Industry Partnership Program;
  - increasing Queensland's research capacity by providing $4.5 million to university research organisations to leverage additional Commonwealth Government funding through the National Collaborative Research Infrastructure Strategy;
  - negotiating and delivering collaborative funding programs worth a total of $5.7 million over three years with the Ministries of Science and Technology of China and India to support joint research projects, early career fellowships and short-term researcher visits on topics of mutual interest;
  - providing $1.5 million to BioPharmaceuticals Australia (Network) Pty Ltd towards the design costs of the BioPharmaceuticals Australia facility, which forms part of the larger Translational Research Institute project at the Princess Alexandra Hospital campus; and
  - raising the national and international profile of Queensland life science research and innovation by finalising an agreement with the national industry association AusBiotech Pty Ltd to host their annual national biotechnology conferences in 2013 (Brisbane) and 2014 (Gold Coast).

DEEDI continued to protect Queensland's economy now and for the future by:
- facilitating secure, reliable, cost-competitive energy through:
  - increasing investment in solar technologies and use of clean renewable energy through commissioning of major solar energy infrastructure projects in Kogan Creek, Cloncurry, Wide Bay, Hervey Bay and Brisbane; installing 200 Kilowatts of photovoltaic panels on the Carrara Stadium roof to offset approximately 20% of the stadium's energy consumption; and increasing uptake of small scale solar in Queensland by households and small business by over 160MW as part of the Virtual Solar Power Station;
  - assisting industry to meet growing demand for clean and green technologies, products and services by launching a Queensland Cleantech Industry Development Strategy in 2011; and
  - reducing peak electricity network demand capacity by approximately 45 megawatts through the implementation of innovative demand management and energy efficiency programs in partnership with Ergon Energy and ENERGEX.

- continuing major eradication programs like fire ants, electric ants and Siam weed; and continuing to develop our biosecurity emergency response capability, including running the major national emergency response exercise "Exercise Red Feather"
- influencing the construction, timing and location of infrastructure critical to long-term economic prosperity including:
  - the Northern Pipeline Inter-connector Stage 2 for water security;
  - the Whitsunday Coast Airport to increase passenger service and comfort;
  - the Wyaralong Water Treatment Plant and the associated Cedar Grove Connector for future water supply security;
  - coordinating of Provision of Public Private Partnership for the health system in the Sunshine Coast;
  - undertaking industrial land suitability, audit and supply reports in several regional areas of the State, including in South East Queensland;
  - the acquisition of land for the future planning of the gas, coal and water industries;
  - the proposed Multi Cargo facility, including the development of a draft Indigenous Land Use Agreement in the Abbott Point State Development Area;
  - the draft Environmental Management Plan for the Kaili Valley Wetlands;
  - the Material Change of Use approval for the three major liquid gas plants on Curtis Island;
  - the 'gas superhighway' to facilitate the LNG industry and effectively manage the planned development of the co-located underground pipelines and associated infrastructure between Callide and the Gladstone State Development Area; and
  - coordinating the environmental impact statements for 24 projects with an estimated value of around $60 billion and estimated to support around 60,000 construction and operational jobs.
- protecting the safety and health of workers employed in the mining, quarrying, explosives, petroleum and gas industries by:
  - assisting small mines to improve safety through the development and delivery of safety training materials through workshops with industry; and
  - participating in national harmonisation of safety and health.

Helping businesses and individuals respond to the economic challenges they face

During 2010-11, DEEDI continued to support existing businesses to grow and maintain jobs by:

- helping businesses, communities and workers prepare for and recover from global economic events and natural disasters including:
  - rolling out Back in Business recovery workshops in disaster impacted areas which assisted Queensland Business to regain momentum;
  - stimulating the Cairns economy through the implementation of the Cairns Economic Future Plan 2009-2011, by investing $116 million in the region in new and accelerated spending;
  - providing specialist advice in the form of action plans that prioritise key business recovery tasks for small and medium businesses impacted by the natural disasters, through the Flood and Cyclone Recovery Business Program;
  - supporting rural communities to build their economic, social, cultural and environmental capacity through the Building Rural Communities Fund, which provided $849,817 to 101 community projects; and
  - assisting Marine Safety Queensland through the Queensland Boating and Fisheries Patrol in the removal of debris from the lower Brisbane River and Moreton Bay.

- facilitating the market entry of emerging industries and businesses new to Queensland by promoting the growth of firms and organisations in areas such as agri-biotech, health and medical, industrial biotech and animal health through the establishment of the first state wide industry association for Queensland life sciences
- supporting the creation of around 13,000 jobs, nearly all of which will be located in regional Queensland, by facilitating projects with an estimated capital value of $47 billion
- creating local jobs and stimulating economic growth in Queensland through the three Queensland Government supported business incubators. Since inception the incubators have created 860 jobs, assisted in raising $104.4 million capital and supported 159 businesses
- preparing the Queensland Rural Skills and Training Demand report which identified training needs required to support Queensland's agribusiness sector
- investing $378 million to build the Health and Food Science Precinct as well as the completion of the Ecoscience Precinct to provide Queensland with world-class research facilities to support the application of knowledge and new technologies by business
- enhancing the effectiveness of exploration in North-West Queensland by releasing the North-West Queensland Mineral and Energy Province Report and Data Package, a culmination of a five year field and office based study
- DEEDI facilitated the provision of essential services to vulnerable Queenslanders by:
  - introducing a new rebate to subsidise electricity costs for low income customers with a medical condition that results in their inability to regulate their body temperature at a total cost of approximately $6.7 million over four years;
  - increasing the Electricity Rebate and Reticulated Natural Gas Rebate to provide additional financial assistance for pensioners, seniors and Department of Veterans' Affairs repatriation health card holders for all conditions (Gold Card);
  - increasing the Electricity Life Support Concession Scheme to provide additional financial assistance for users of oxygen and kidney dialysis machines; and
  - assisting Queensland customers experiencing difficulty paying their energy bills as a result of an unforeseen emergency, through the Home Energy Emergency Assistance Scheme.

A key focus for DEEDI during 2010-11 was supporting individuals into the work force by:

- providing funding of $104.5 million to provide more than 24,000 Queenslanders, who were jobless or under-employed, with job-related assistance and skills training under the Skilling Queenslanders for Work initiative. This included 1,050 people employed through the three-year $57 million Green Army commitment, of which 200 Green Army work placements were approved for immediate deployment following the natural disasters. An additional 700 Green Army positions were created as part of the Jobs and Skills package to work on recovery activity, support local communities and assist displaced workers
- assisting 1,400 highly vulnerable Queenslanders access services they may need to overcome personal difficulties, develop life skills and ultimately enter the work force through the Participate in Prosperity (PiP) program. This program is a key action in seeking to halve the proportion of children living in jobless households.

DEEDI helped build business profitability and success through:

- helping Queensland businesses be competitive by:
  - assisting small to medium enterprises gain access to government business through the delivery of 68 Tendering for Government Business Workshops, attended by 1,144 participants (as at 30 April 2011);

- supporting 861 (as at 31 March 2011) Queensland small to medium-sized manufacturing companies through State Government-funded support programs delivered by QMI Solutions;
- encouraging new investment in the tourism industry through grants totalling $1.4 million targeting new product development and minor tourism infrastructure;
- completing construction of the $4.8 million John Campbell Miles Drill Core Storage Facility in Mount Isa to assist explorers and researchers in the minerals industry by providing a reference collection library of mineral cores;
- supporting the HEAT programs for Architecture and Fashion to increase the revenue and economic viability of over 2,000 architecture, fashion and related design businesses throughout Queensland. Achievements to date include a $10 million increase in international revenue and over $12 million in national and international media editorial in over 40 countries;
- facilitating the first export of mangoes to South Korea during the 2010-11 season through the Global Mango Export Development project. Project team members facilitated the market access process and provided expertise to monitor and maintain fruit quality along the supply chain. Exports to NZ were also boosted through facilitating a direct supply chain to Progressive Supermarket;
- encouraging innovation through the launch of the two year $2.5 million program 'What's your big idea Queensland?' to help stimulate industry capability, boost productivity and deliver new jobs. Up to $50,000 was available to each successful small and medium sized Queensland business applicant to develop their innovative projects, with over $1 million shared by 22 first round winners across the state;
- increasing the value of Queensland's sweet potato industry from $7 million to $60 million over a 10-year period as a direct result of key research and development projects undertaken in relation to irrigation, planting techniques, varietal evaluation and management of soil insects;
- negotiating protocols for certification of freedom from plant pests under the Interstate Certification Assurance (ICA) scheme, which will significantly increase business flexibility and reduce costs for Queensland producers; and
- improving the productivity of Queensland's $58 million sheep and $90 million wool industries through the Leading Sheep Initiative by providing innovative information and training sessions using Webinars and e-Books.

- encouraging the commercialisation of new technologies and delivering services to support business innovation including:
  - purchasing and developing a $12 million new Spyglass beef research facility near Charters Towers in the North Queensland dry tropics as part of the 2020 Beef Plan which will increase research capability to assist in growing Queensland's $4.5 billion beef industry; and
  - supporting jobs growth and productivity through the Business and Industry Transformation Incentives scheme which is expected to generate over $53 million in new business domestically and $49 million in export opportunities.

Integrated Service Delivery

DEEDI continued to respond to customer needs and improve customer services by:

- utilising an online social networking tool to share information and build self-help communities, assisting business by engaging business advisors to provide face-to-face advice, and tailoring simple packages of information specific to assist business needs

- assisting industry recovery efforts by diagnosing 240 horticultural crop samples at the post-flood plant diagnostic service. The service provided producers with a clear diagnosis of crop pest and disease issues, which allowed a quick crop yield saving response to adverse weather conditions during the 2010-11 summer
- knowing our customers, understanding their needs and delivering services that they value. Examples include:
  - delivering key technical advice and resources to assist in the New Zealand Pike River Mining disaster. The Queensland Commissioner for Mine Safety and Health has been appointed as a Commissioner on the Pike River Mine Disaster Royal Commission; and
  - developing Fisheries Queensland Facebook and Twitter accounts, and expanding the tools available to both educate and engage with stakeholders via social media.
- providing services in ways that let our customers do business with us more easily including:
  - streamlining mining and petroleum tenure approval processes by enabling the online electronic document lodgement via Mines Online, of entry notices, drilling forms and requests for public enquiry reports. This received over 21,000 transactions during 2010-11;
  - purchasing a number of mobile offices to improve our service deliver offering to rural and remote areas. The vehicles are fully operational and have been used to assist recovery efforts during the recent natural disasters; and
  - launching a single whole-of-government Business and Industry Website with over 90 customer services available now with another 200 to be developed by the end of the financial year, providing information, support and processes for a variety of industry sectors and business community in general.
- working together and with partners to improve services for customers by:
  - establishing the Surat Basin CSG Engagement Group which brings together industry, community and government to progress strategic issues; and
  - informing the CSG Community on the government's current and future CSG related policies, programs and services, by conducting nine community forums through the Surat Basin.

DEPARTMENTAL SERVICES

DEEDI works in partnership with business and others in government to create an environment for a competitive and sustainable economy where businesses in every sector can grow successfully with diversification and expansion, access to export markets, certainty for investors and protection of community interests.

Employment and Economic Development

This service area focuses on employment and workforce participation, strengthening and diversifying Queensland's economy and helping our traditional strengths, such as tourism and manufacturing grow. It also encourages investment attraction, businesses to innovate and become more competitive, and provides assistance to Queensland companies to access overseas markets.

Infrastructure, Land and Project Development

This service area focuses on planning, identification, coordination and delivery of infrastructure projects, and industrial and community infrastructure land development which underpin the economic and social development of the State.

Mines and Energy

This service area facilitates investment and job creation in the mining and energy industries. It facilitates the development of a secure, sustainable and competitive energy market, including the development and growth of the clean energy sector. It also protects the safety and health of workers employed in the mining, quarrying, explosives, petroleum and gas industries.

Science, Agriculture, Food and Regional Services

This service area supports industry development in agriculture and food, and works with businesses, individuals and communities to strengthen regional Queensland economies. It manages our fisheries resources, biosecurity threats and science strategies to enhance Queensland's competitive advantage. It also provides a proactive and supportive regulatory environment for the racing industry.

STAFFING[1]

Service areas	Notes	2010-11 Adjusted Budget	2010-11 Est. actual	2011-12 Estimate
Services	2,3,4			
Employment and Economic Development	7	683	687	660
Mines and Energy	5	789	868	867
Science, Agriculture, Food and Regional Services	6,7	3,052	3,028	2,977
Infrastructure, Land and Project Development	7	251	283	307
Total	8	**4,775**	**4,866**	**4,811**

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate FTEs are allocated across the services areas.
3. The 2010-11 Adjusted Budget FTEs have been recast to reflect resource movements between services.
4. The 2010-11 Adjusted Budget FTEs have been recast to reflect the following recent Machine of Government (MoG) changes:
   - MoG changes with an effective date of 21 February 2011 resulted in the transfer of the Office of Liquor and Gaming Regulation, Office of Fair Trading and the Office of Regulatory Policy (OLG&FT) from DEEDI to the Department of Justice and Attorney General (JAG);
   - MoG changes with an effective date of 21 February 2011 resulted in the transfer of the Coordinator General (CG) functions from the Department of Local Government and Planning (DLGP) to DEEDI;
   - MoG changes with an effective date of 1 April 2011resulted in the transfer of the Wal Meta Unit from DEEDI to the Public Services Commission (PSC);
   - MoG changes with an effective date of 1 July 2011 resulted in the transfer of the Royalties Unit from DEEDI to Queensland Treasury; and
   - MoG changes with an effective date of 1 January 2010 resulted in the transfer of Native Title's function for mining activities from the Department of Environment and Resource Management (DERM) to DEEDI. This was not able to be included EEDI's 2010-11 budget papers.
5. The increase in the Mines and Energy 2010-11 Estimated actual FTEs over the 2010-11 Adjusted Budget is due to resource increases in tenure administration, additional Mines and Petroleum and Gas Inspectorate staff, and increased support capacity in new industries, including CSG/LNG and renewable energy development.
6. Approximately 122 staff employed to undertake the National Red Imported Fire Ant Eradication Program were not included in the 2010-11 adjusted budget as funding for this program had not been confirmed at the time of the 2010-11 budget preparation.
7. DEEDI currently has recruitment and selection controls in place and actively manages staff where activities are no longer required. This will continue.
8. The figures shown are higher than those currently on active duty because they include staff on long term leave and / or secondments who might return to active duty in the reporting period.

2011-12 SERVICE SUMMARY[1]

Service areas	Total cost $'000	Sources of revenue			
		State Contribution $'000	User charges $'000	C'wealth revenue $'000	Other revenue $'000
Employment and Economic Development	289,636	240,834	3,704	243	47,298
Infrastructure, Land and Project Development	123,944	76,498	11,159	..	55,537
Mines and Energy	250,918	203,855	16,784	..	30,280
Science, Agriculture, Food and Regional Service Delivery	586,821	440,870	37,991	11,512	97,173
Total	**1,251,319**	**962,056**	**69,638**	**11,755**	**230,288**

Note:
1. Explanations of variances are provided in the financial statements.

ADMINISTERED ITEMS

Community Service Obligation Transactions

Under the *Electricity Act 1994,* electricity retailers must charge customers who have not entered into market contracts for their electricity supply at Notified Prices determined in accordance with the Act. The Notified Prices for customers of a particular customer class are uniform across the State.

The supply of electricity to customers in regional and remote parts of Queensland generally involves costs which are significantly higher than what the retailer can cover under the Notified Prices due mainly to the vast electricity grid required to serve these customers. Through an appropriation administered by the department, the Government provides Community Service Obligation payments to Ergon Energy Queensland Pty Ltd, the electricity retailer responsible for supplying the non-market customers in regional Queensland.

Mineral and Petroleum Rentals

Annual rent is collected on various permits, authorities, licences and leases issued under the *Mineral Resources Act 1989,* the *Petroleum Act 1923* and the *Petroleum and Gas (Production and Safety) Act 2004.*

Mineral and Petroleum Royalties

From 1 July, 2011 collection of mineral and petroleum royalties will be the responsibility of Queensland Treasury.

QRAA

The department provides funding to QRAA (Queensland Rural Adjustment Authority) for the administration of Exceptional Circumstances and various other assistance schemes to foster the development of a more productive and sustainable rural and regional sector in Queensland. The department also provides funding to QRAA for the administration of applications and payment of rebates under the Queensland Government Solar Hot Water Rebate scheme.

Resource Tenure Application Processing Fees

Revenue is collected for resource tenure applications and associated dealings under the *Mineral Resources Act 1989*, the *Petroleum and Gas (Production and Safety) Act 2004*, the *Petroleum Act 1923*, the *Geothermal Exploration Act 2004*, and the *Greenhouse Gas Storage Act 2009.* A Review of these dealing fees has been undertaken to better reflect the costs associated with providing these services to the resources industry.

Safety and Health Services

Safety and health services are provided to the mining and quarrying industries as well as to the petroleum and gas industries in Queensland through the:

- *Coal Mining Safety and Health Act 1999* and the *Mining and Quarrying Safety and Health Act 1999*; and
- *Petroleum and Gas (Production and safety) Act 2004.*

The department collects a levy and fee (respectively) from the relevant industries to cover the cost of these services. These safety and health regulatory compliance services are undertaken to assist industry to achieve its target of 'zero harm'.

Smart State Research Facilities Fund

The Smart State Research Facilities Fund (SSRFF) supports the establishment of world-class science and technology infrastructure in Queensland to promote specialised research and to foster partnerships between industry, the research sector, and government. Agreements to fund SSRFF projects provide a return to the State over the term of the funding agreement (usually 30 years).

Tourism Queensland

The department provides a grant to Tourism Queensland to ensure the ongoing development of a strong and sustainable tourism industry in Queensland. For information on this administered item, please refer to the separate section for Tourism Queensland.

DEPARTMENTAL STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Employment and Economic Development				
Service Standards				
Queensland economy recovers and grows				
Estimated value of additional capital attracted to Queensland as a result of DEEDI investment and business development assistance	1	$740 million	$943 million	$740 million
Queensland is seen as the place to do business				
Proportion of stakeholders who have a high level of satisfaction with DEEDI consultative and engagement processes		65%-80%	87%	80%
More businesses are profitable and successful				
Value of new exports generated by businesses assisted by DEEDI	2,3	$490 million	$1,339 million	$600 million
Estimated value of efficiency savings or new business generated by businesses assisted by DEEDI	4,5	$56 million	$99 million	$96 million
Client businesses implementing new or improved practices, processes, systems, products and technologies as a result of DEEDI funded innovation and capacity development activities	5	45-60%	80%	80%
Proportion of assisted firms reporting improved performance following DEEDI funded innovation and capacity development activities		45-60%	60%	55%
Number of targeted and qualified leads for Queensland businesses generated through DEEDI overseas trade missions and other trade and export development activities	6	470	480	420
Queensland has an available, skilled and sustainable workforce				
People who are in employment or training 12 months after receiving assistance		60-65%	67%	65%
Indigenous people who are in employment or training 12 months after receiving culturally appropriate mentoring and support	7,8	50-55%	79%	70%
Subsidised apprentices and trainees who are in employment or training 12 months after receiving assistance		80%	88%	80%

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Average cost per funded participant of the employment assistance package required to make participants job ready	9	$4,400	$5,000	$4,600
Position of Queensland's economic growth in comparison to other Australian states and territories (1 – 8)	10,11	New measure	7	1
Percentage of Queensland businesses innovating	10,12	New measure	..	39%-41%
Percentage of Queensland children aged under 15 years living in a household without a working parent	10,13	New measure	..	12.75%
Other measures				
Queensland economy recovers and grows				
Achievement of major project milestones on strategic projects	14	25	23	10
Value of private and public sector investment in 'soft' R&D infrastructure derived from DEEDI activities (Human capital, skills, software etc)	15	$100 million	$91 million	$21 million
Funding leveraged from other sources supporting Queensland Government funding of 'soft' R&D infrastructure	15	$70 million	$74 million	$16 million
Queensland is seen as the place to do business				
Pieces of legislation and regulatory frameworks reviewed and reformed	16	26	34	27
Consultative and engagement forums held with industry and community stakeholders	17	160	167	30
More businesses are profitable and successful				
The number of structured programs/activities helping businesses build their capacity, improve their performance and/or access opportunities	18,19	1,400	2,250	1,470
The number of business participants in structured development activities	20,21	12,000	16,200	15,300
Significant one-on-one business consultations undertaken	21,22	2,800	3,735	6,360
Information transactions and packages provided	23	9,800	10,700	39,000
Number of businesses involved in DEEDI facilitated alliances, partnerships, industry networks, supply chains, clusters etc	24,25	1,400	2,060	785

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Number of businesses assisted to export or expand market share	26	3,300	3,400	3,800
Linking individuals to increase workforce participation and improve labour supply				
People assisted		19,000	20,900	19,000
Apprentices and trainees supported		5,000	4,550	5,000
State contribution ($000)	27,28,29	**246,886**	**221,989**	**240,834**
Other revenue ($000)	30,31	**33,230**	**70,530**	**51,245**
Total cost ($000)	32	**277,844**	**290,247**	**289,636**

Service Area: Infrastructure, Land and Project Development

Service Standards				
Queensland economy recovers and grows				
Client and stakeholder level of satisfaction with the timeliness and quality of outcomes from the economic projects and programs delivered during the year:				
• satisfaction with outcomes	33	75%	..	75%
• satisfaction with timeliness	33	65%	..	65%
Queensland is seen as the place to do business				
Percentage of regulated drinking supplies delivering fluoridated drinking water:				
• outside SEQ (excluding Indigenous local authorities)	34,35	66%	55%	85%
• within Indigenous local authorities	36	100%	0%	100%
Other measures				
Queensland economy recovers and grows				
Percentage of total number of private sector and Government projects being coordinated or implemented, which met committed timeframes and milestones	37	80%	94%	80%
Queensland is seen as the place to do business				
Number of industrial land solutions implemented during the year across the State for proposed major project developments	38,39	1,100	1,691	350
State contribution ($000)	40,41,42	**62,827**	**46,065**	**76,498**
Other revenue ($000)	43,44,45	**46,487**	**54,802**	**66,696**
Total cost ($000)	46,47,48	**97,449**	**85,270**	**123,944**

Service Area: Mines and Energy

Service Standards				
Queensland economy recovers and grows				
Value of investment in exploration by the mineral and energy sectors	49,50	$750 million	$950 million	$800 million
Estimated amount of new energy generated from renewable energy initiatives and projects facilitated	10	New measure	New measure	120MW

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Queensland's economy is protected now and into the future				
Relative reduction in peak electricity network demand capacity from demand management/energy efficiency initiatives and projects facilitated	51,52	35 MW	46.76MW	55 MW
Estimated greenhouse gas emissions saved (tonnes Co2 equivalent) from clean energy initiatives and projects facilitated	10	New measure	New measure	200,000
Lost time injury frequency rate (injuries per millions hours) in the mining and quarrying industries	53	Amended measure	3%	<3.3
More businesses are profitable and successful				
Value of new exports generated by businesses assisted by DEEDI	54,55	$770 million	$522 million	$950 million
Other measures				
Queensland economy recovers and grows				
Achievement of major project milestones on strategic projects	56	3	3	2
Number of initiatives and projects facilitated that drive clean energy and energy efficiency solutions for Queensland	10	New measure	New measure	35
Queensland's economy is protected now and into the future				
Percent of abandoned mines land program priority projects completed within scheduled timeframes		90%	90%	90%
Level of compliance with energy regulatory and shareholder service requirements by energy retailers, distributors and generators		100%	100%	>95%
Percent of corrective/compliance requests identified through inspection and auditing programs closed out within target timeframe		90%	90%	90%
Simtars revenue target for commercial activities	57	$7 million	$7.1 million	$7.1 million
Percent of scheduled and legislative audits, inspections and investigations completed within prescribed times		90%	90%	90%
Queensland is seen as the place to do business				
Pieces of legislation and regulatory frameworks reviewed and reformed		30	29	30
Consultative and engagement forums with industry and community stakeholders	58,59	150	159	209

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Percent of 'intention to grant' of new exploration permits issued within 180 business days of the date of lodgement		90%	88%	90%
Percent of new production tenure applications granted within timelines agreed between DEEDI and industry proponents		90%	90%	90%
More businesses are profitable and successful The number of structured programs/activities helping businesses build their capacity, improve their performance and/or access opportunities	60,61	500	960	250
The number of business participants in structured development activities	60,61	5,000	6,800	1,250
Significant one-on-one business consultations undertaken	62,63	8,400	11,786	6,000
Information transactions and packages	23	119,000	194,488	273,900
State contribution ($000)	64,65,66	**188,203**	**209,749**	**203,855**
Other revenue ($000)	67,68,69	**15,026**	**20,421**	**47,064**
Total cost ($000)		**203,229**	**230,170**	**250,918**

Service Area: Science, Agriculture, Food and Regional Services

Service Standards				
Queensland economy recovers and grows Estimated value of additional capital attracted to Queensland as a result of DEEDI investment and business development assistance	10	New measure	New measure	$4 million
Queensland is seen as the place to do business Proportion of stakeholders who have a high level of satisfaction with DEEDI consultative and engagement processes		70-80%	70%-80%	70-80%
Queensland's economy is protect now and for the future Queensland fish species assessed as being sustainably fished		21	21	21
More businesses are profitable and successful Estimated value of efficiency savings or new business generated by businesses assisted by DEEDI	70	$26 million	$20.31 million	$27 million
Client businesses implementing new or improved practices, processes, systems, products and technologies as a result of DEEDI funded innovation and capacity development activities		60-70%	60%	60-70%

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Proportion of assisted firms reporting improved performance following DEEDI funded innovation and capacity development activities		60%	60%	60%
Number of targeted and qualified leads for Queensland businesses generated through DEEDI overseas trade missions and other trade and export development activities	10	New measure	New measure	50
Other measures				
Queensland economy recovers and grows				
Achievement of major project milestones on strategic projects	71,72	25	30	35
Value of private and public sector investment in 'Soft' R&D infrastructure derived from DEEDI activities (Human capital, skills, software etc)	10,73	New measure	..	$180 million
Funding leveraged from other sources supporting Queensland Government funding of 'soft' R&D infrastructure	10,73	New measure	..	$100 million
Queensland is seen as the place to do business				
Pieces of legislation and regulatory frameworks reviewed and reformed	74,75	68	78	59
Consultative and engagement forums held with industry and community stakeholders	76	150	192	155
Integrated Development Assessment System responses completed within statutory timeframes:				
• local government planning schemes	77,78	100	57	100
• development assessment applications		700	625	400
Proportion of racing audit, probity and inspection activities completed in accordance with annual program targets		90%	95%	90%
Proportion of racing investigations completed within timeframes established in service delivery standards	79	75%	95%	95%
Queensland's economy is protected now and into the future				
Risk management and surveillance strategies implemented under national biosecurity obligations:				
• risk management strategies		9	9	9
• surveillance strategies		100%	100%	100%
Significant new biosecurity incidents responded to in accordance with national standards		100%	100%	100%

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Business accreditations and registrations maintained to facilitate market access	80,81	94,000	70,000	95,000
Proposed Queensland fisheries accredited for export accreditation		21	21	21
Percentage of overall compliance with fisheries laws		93%	93%	93%
Beaches covered by the Shark Control Program		85	85	85
More businesses and jobs are sustained and created				
Businesses impacted by natural disasters and other emergencies assisted and supported	82,83	6,800	2,537	2,500
More businesses are profitable and successful				
Innovative technologies developed through revolutionary R&D		8	8	8
Improved production efficiency systems, standards and tools delivered	84	55	78	55
Improved varieties, cultivars and commercial parent lines developed		20	20	20
Collaborative research and development partnerships established	84	200	222	200
The number of structured programs/activities helping businesses build their capacity, improve their performance and /or access opportunities.	85,86	700	1,133	848
The number of business participants in structured development activities	86,88	6,700	15,392	10,371
Number of promotion activities profiling Queensland agriculture, food and tourism businesses	89	26	29	26
Significant one-on-one business consultations undertaken	90,86	9,000	12,776	9,200
Information transactions and packages provided	23	274,000	226,836	296,000
Number of businesses involved in DEEDI facilitated alliances, partnerships, industry networks, supply chains, clusters etc.	87,91	1,200	1,336	1,135
State contribution ($000)	92,93,94	**362,830**	**394,075**	**440870**
Other revenue ($000)	95,96,97	**116,884**	**141,018**	**146,677**
Total cost ($000)	98	**479,118**	**535,728**	**586,821**

Notes:

1. The increase in the 2010-11 Estimated actual reflects increased economic activity in Queensland and large deals in the construction and energy industries.
2. The increase in the 2010-11 Estimated actual is due to several large export deals in clean energy, construction and food.
3. The 2011-12 Target/estimate has increased for the Employment and Economic Development service area due to the transfer of manufacturing activities from the Mines and Energy service area to the Employment and Economic Development service area, and increased targets for exports in the creative industries sector and firms assisted through financial incentives.
4. The increase in the 2010-2011 Estimated actual is a result of the promotion of the Business and Industry Transformation Incentives program through a targeted round which has resulted in a record number of approved applications.
5. The 2011-12 Target/estimate has increased due to the transfer of manufacturing activities from the Mines and Energy service area to Employment and Economic Development service area.
6. The decrease in the 2011-12 Target/est for the Employment and Economic Development Service Area is due to the transfer of the Science business group activities from Employment and Economic Development service area to the Science, Agriculture, Food and Regional Services service area.
7. The increased Estimated actual is due to improved outcomes that reflect the growing success of individual mentoring and support provided by the departmental Indigenous Employment and Training Support Officers.
8. The increased 2011-12 Target/estimate is a reflection of the growing success of individual mentoring and support provided by the departmental Indigenous Employment and Training Support Officers.
9. The increased 2010-11 Estimated actual is a result of the redirection of funds to higher cost intensive programs required under the Jobs and Skills Package.
10. A service standard is considered a 'New measure' where the service standard is:
    - completely new (has no correlation to any of the 2010-11 measures); or
    - may be similar in wording to a 2010-11 measure but a 'material' change has occurred. Changes are considered to be 'material' where 2010-11 data will no longer be directly comparable to 2011-12 data. 'Material' changes may be the result of changes to reporting methodology or where the scope of the service standard has been expanded to cover additional business areas not previously contributing to the measure.
11. DEEDI is the lead department for the *Toward Q2: Tomorrow's Queensland* Strong: Economy target. For further information on this *Toward Q2: Tomorrow's Queensland* target measure and its contributing departments, please refer to the Target Delivery Plan found on the www.TowardQ2.qld.gov.au website. Due to data publication dates, the 2010-11 Estimated actual is the performance for the 2009-10 financial year. The 2011-12 Target/estimate is based on the published predicted growth rates for other jurisdictions as well as Queensland.
12. DEEDI is the lead department for the *Toward Q2: Tomorrow's Queensland* Strong: Business innovation target. For further information on this *Toward Q2: Tomorrow's Queensland* target measure and its contributing departments, please refer to the Target Delivery Plan found on the www.TowardQ2.qld.gov.au website. The Australian Bureau of Statistics data previously used for the *Toward Q2* innovation target is no longer available. Action is underway to establish an alternative dataset to measure performance against this target. Based on other available complementary indicators, Queensland businesses are expected to have experienced improvement in their innovation performance in 2010-11.
13. DEEDI is the lead department for the *Toward Q2: Tomorrow's Queensland* Fair: Jobless households' target. For further information on this *Toward Q2: Tomorrow's Queensland* target measure and its contributing departments, please refer to the Target Delivery Plan found on the www.TowardQ2.qld.gov.au website. Progress against this target is being achieved through a multi-faceted approach targeting the unique circumstances of this cohort, which warrants a flexible approach to key performance indicators. Data on the 2011-12 financial year will not be available until September 2013. There is expected to be some variation between annual targets and achieved actuals, due to both the complexity of this long term target and the range of external influencing factors including economic conditions.
14. The decrease in the 2011-12 Target/estimate is due to the transfer of the Science business group activities from the Employment and Economic Development service areas to the Agriculture, Food and Regional Services service area, the transfer of science precinct projects to the former Department of Infrastructure and Planning, and completion of the World Expo Project in Shanghai.
15. The 2011-12 Target/estimate for the Employment and Economic Development Service are has decreased due to the transfer of science activities from Employment and Economic Development to Science, Agriculture, Food and Regional Services - see note 53. The 2011-12 Target/estimate for DEEDI has increased due to Smart State – Investment for the Future Program.
16. The 2010-11 Estimated actual is due to Government land use planning and environmental policy initiatives exceeding predicted activity – for example, North Stradbroke Island Visions and Strategic Cropping Land
17. The decrease in the 2011-12 Target/estimate is due to (i) the transfer of the Science business group activities from Employment and Economic Development to Science, Agriculture, Food and Regional Services; and (ii) the completion of many consultation activities under the Surat Basin Future Direction Statement and Sustainable Resource Communities policies.
18. The increased 2010-11 Estimated actual is due to the demand of small businesses applying for the Jobs Assist Business Support Program.
19. The wording of this service standard has been amended to ensure consistency with other DEEDI services. The 2011-12 Target/estimate has increased due to the transfer of manufacturing activities from Mines and Energy to Employment and Economic Development.
20. The increase in the 2010-11 Estimated actual is the result of structured development activities such as trade missions, workshops, exhibitions and seminars attracting significant interest from the public regarding exporting opportunities due to increased economic activity in Queensland and increased activity of the national rollout of the In-to-Business Workshops.
21. The 2011-12 Target/estimate has increased due to the transfer of manufacturing activities from Mines and Energy service area to Employment and Economic Development service area. This service standard applies to three service areas; Employment and Economic Development; Mines and Energy and Science, Agriculture, Food and Regional Services. The overall 2011-12 Estimated target for DEEDI has increased from 2010-11.
22. The increase in the 2010-11 Estimated actual is a result of using opportunities to further develop client relationships through assistance with exporting and investment requirements and increases in the Indigenous Entrepreneurs client base.
23. This Service Standard applies to three Service Areas: Employment and Economic Development, Mines and Energy and Science, Agriculture, Food and Regional Services. The 2011-12 Target/estimate has increased in all three service areas

due to (i) an overall increase in service delivery for DEEDI; and (ii) apportioning this increase in service delivery across all DEEDI services areas.

24. The increase in the 2010-11 Estimated actual is due to increased contact with clients from regional industry networks and alliances.
25. The decrease in the 2011-12 Target/estimate is due to (i) the Science business group activities transferred from Employment and Economic Development to Science, Agriculture, Food and Regional Services; (ii) the cessation of the Biotech Pipeline Program; and (iii) the completion of phase 1 of the Climate Smart Business Service Program in 2010-11. The Service Delivery in 2011-12 for this program will be reported against other measures within the Mines and Energy Service area.
26. The increase in the 2011-12 Target/estimate is due to an increasing focus on programs to support exports in the creative industries sector and an increase in the number of export assistance programs and activities.
27. The decrease in the 2010-11 Estimated actual compared to the 2010-11 Target/estimate is primarily due to the transfer of funding for floods and cyclone recovery to the Queensland Reconstruction Authority, which will be reinstated to DEEDI as Other revenue.
28. The decrease in the 2011-12 Target/estimate compared to the 2010-11 Target/estimate is primarily due to additional funding in 2010-11 for the Jobs Assist Program. Also contributing to the movement is the realignment of funding for the design and upgrade of Mareeba Airport to match anticipated cash flows and additional funding for the Queensland Climate Change Fund (QCCF).
29. The increase in the 2011-12 Target/estimate compared to the 2010-11 Estimated actual is primarily due to additional funding for the QCCF and the realignment of funding for the design and upgrade of Mareeba Airport to match anticipated cash flows.
30. The increase in the 2010-11 Estimated actual and the 2011-12 Target/estimate compared to the 2010-11 Target/estimate is primarily due to funding received from QRA for flood and cyclone recovery activities including the Rural Resilience Package (RRP) and the Queensland Natural Disaster Jobs and Skills Package (QNDJSP) and an increase in funding from DET for the delivery of employment programs.
31. The decrease in the 2011-12 Target/estimate compared to the 2010-11 Estimated actual is primarily due to the completion of funding provided under the QNDJSP.
32. The variance between revenues and total costs relates to loan repayments.
33. Survey results for 2010-11 were unavailable at the time of publishing the budget papers.
34. The reduction in the 2010-11 Estimated actual of 11% is due to both (i) equipment commissioning delays resulting from recent rain / flood events affecting the fluoridation projects for five water treatment plants; and (ii) an amendment to the regulated due date for one of Cairns Regional Council's water treatment plants (from December 2011 to December 2012).
35. The increase in the 2011-12 Target/estimate is due to an acceleration of the program that is currently underway.
36. The decline in the 2010-11 Estimated actual is due to the following: In December last year, the due date for five of the State's six Indigenous fluoridation projects (in Cherbourg, Doomadgee, Palm Island, Torres, Yarrabah) was moved from 31 December 2009 to 31 December 2011 in the Queensland Water Fluoridation Regulation 2008. All 5 of these projects are currently progressing to schedule with completion expected by 31 December 2011. Also in December 2010, the due date for Aurukun's fluoridation project was moved from 31 December 2009 to 31 December 2012 in Water Fluoridation Regulation. This project is currently progressing ahead of schedule with completion expected by 31 December 2011. The primary reason for the Regulation being amended last December is technical issues with existing water treatment infrastructure as well as wet weather and skills capacity issues in these remote locations.
37. The increased 2010-11 Estimated actual is due to the 126 projects that have been progressed and implemented, 118 are estimated to be on track/target as at 30 June 2011.
38. The decrease in 2011-12 Target/estimate is due to a decision to narrow the interpretation of the service standard to the total number of industrial land solutions that fit one of the following criteria: (i) Land parcels acquired, granted or purchased (ii) Material Changes of Use approvals or State Development Areas declared, or (iii) Industrial land planning reports completed.
39. The increase in the 2010-11 Estimated actual is due to the number of land solutions for the former Traveston Dam being transferred to Coordinator-General. The Coordinator-General has taken over the leases and tenancies for these properties and continues to manage and maintain the property portfolio on a day to day basis in accordance with lease and tenancy agreements.
40. The decrease in the 2010-11 Estimated actual compared to the 2010-11 Target/estimate is mainly due to the realignment of funding for the Qld Fluoride Assistance Program and the Stage 2 Agreement for the Yarwun Alumina Refinery.
41. The increase in the 2011-12 Target/estimate compared to the 2010-11 Target/estimate is primarily due to the realignment of funding for the Qld Fluoride Assistance Program and the Stage 2 Agreement for the Yarwun Alumina Refinery and Mary Valley Land Management, offset by a reduction in funding for the Airport Link Project.
42. The increase in the 2011-12 Target/estimate compared to the 2010-11 Estimated actual is primarily due to the realignment of funding for the Qld Fluoride Assistance Program and the Stage 2 Agreement for the Yarwun Alumina Refinery, offset by a reduction in funding for the Airport Link Project.
43. The increase in the 2010-11 Estimated actual compared to the 2010-11 Target/estimate is primarily due to project work undertaken on behalf of Special Purpose Vehicle (SPV) companies and the realignment of funding for the Gold Coast Parkland Redevelopment, the Surat Basin Railway project and the State Development Area Stanwell to Gladstone Infrastructure Corridor.
44. The increase in the 2011-12 Target/estimate compared to the 2010-11 Target/estimate is primarily due to an increase in funding approved by the Minister for Industrial Development of Queensland (MIDQ) from the ECF for a range of projects including the Townsville Eastern Access Corridor, Callide Infrastructure Corridor and the Abbot Point State Development Area. This is offset by a reduction in funding due to the finalisation of the Whitsunday Airport Terminal upgrade.
45. The increase in the 2011-12 Target/estimate compared to the 2010-11 Estimated actual is primarily due to an increase in funding approved by the MIDQ from the ECF for a range of projects including the Townsville Eastern Access Corridor, Callide Infrastructure Corridor and the Abbot Point State Development Area offset by the reduction in funding due to the finalisation of the Whitsunday Airport Terminal upgrade. Also, contributing to the movement is the realignment of funding for the Gold Coast Parkland Redevelopment and the Surat Basin Railway project.
46. The variance between revenue and total costs between 2010-11 Target/estimate to 2010-11 Estimated actual is due to funding received for capital expenditure for the Gold Coast Parkland Redevelopment in 2010-11 and the realignment of Surat Basin Railway capital expenditure to match expected cashflows.

47. The variance between revenue and total costs between 2010-11 Target/estimate to 2011-12 Target/estimate is largely due to an increase in funding received for capital expenditure for the Townsville Eastern Access Corridor, Callide Infrastructure Corridor and the Abbot Point SDA Corridor offset by the asset transfer of the Whitsunday Airport Upgrade.
48. The variance between revenue and total costs between 2010-11 Estimated actual to 2011-12 Target/estimate is largely due an increase in funding for capital expenditure for the Surat Basin Railway acquisition, Townsville Eastern Access Corridor, Callide Infrastructure Corridor and the Abbot Point SDA Corridor offset by the asset transfer in 2011-12 of the Whitsunday Airport Upgrade and funding for the Gold Coast Parkland Redevelopment in 2010-11.
49. The increase in 2010-11 Estimated actual is due to continued growth in coal and coal seam gas exploration which exceeded original expectations.
50. The 2011-12 Target/estimate has been increased to reflect continuing growth in coal and coal seam gas exploration investment.
51. The increased 2010-11 Estimated actual is due to better than expected customer participation in and expansion of the Energy Conservative Communities program.
52. The 2011-12 Target/estimate has increased to reflect the continued implementation and on-going maintenance of demand management initiatives.
53. This service standard is considered to be an 'Amended' measures based on the following:
    - a service standard is considered to be an 'Amended measure' where 'non-material' changes have occurred. Changes are considered 'non-material' where the wording of a measure has changed but the reporting methodology/scope of the measure remains consistent with 2010-11 measure; and
    - the amendment to this measure (from a percentage to a rate) aligns the reporting of this standard with industry reporting conventions.
54. The reduction in the 2010-11 Estimated actual is primarily due to reduced production levels caused by flooding at a number of mines in Central Queensland; and delays in signing contracts for some rail projects.
55. The 2011-12 Target/estimate has been increased to reflect annual estimates provided by resource companies noting significant increases in export coal volumes during this period.
56. The decrease in the 2011-12 Target/est is due to the realignment of Office of Advanced Manufacturing activities to the Employment and Economic Development service area and the realignment of strategic economic projects to the Mines and Energy service area.
57. The increase in 2011-12 Target/est is due to projected additional revenue received from commercial activities.
58. The increase in the 2010-11 Estimated actual due to an increased demand for land access community and industry forums in the Surat Basin area.
59. The 2011-12 Target/estimate has been increased to reflect the number of consultation forums to be conducted under the National Energy Reform agenda.
60. The increase in the 2010-11 Estimated actual is largely due to increased demand for generic induction training by the mining industry and a high demand for Local Industry Policy (LIP) workshops across Queensland.
61. The 2011-12 Target/estimate has been decreased as a result of the Office of Advanced Manufacturing realignment to Employment and Economic Development service area.
62. The increased 2010-11 Estimated actual is primarily due to increased compliance inspections to ensure the safe operations of the petroleum and gas industry, and a high demand for information regarding the local Industry Policy Advisory Service.
63. The decrease in the 2011-12 Target/estimate is due to the realignment of Office of Advanced Manufacturing activities to the Employment and Economic Development service area. This service standard applies to three service areas; Employment and Economic Development; Mines and Energy and Science, Agriculture, Food and Regional Services. The overall 2011-12 Estimated target for DEEDI has increased from 2010-11.
64. The increase in the 2010-11 Estimated actual compared to the 2010-11 Target/estimate is mainly due to an increase in funding for the winding down of ZeroGen Pty Ltd, Collingwood Park remediation and Qld Future Growth Funding (QFGF), offset by the transfer of funding to Department of Education & Training (DET) for Solar Kindergartens as part of the Solar Initiatives Package. Also, contributing to the movement is the realignment of funding for the Carbon Geostorage and the Queensland Renewable Energy Fund (QREF) including the Coastal Geothermal Energy Initiative to match anticipated cash flows.
65. The increase in the 2011-12 Target/estimate compared to the 2010-11 Target/estimate is mainly due to increased funding for Abandoned Mines rehabilitation and funding for the winding down of ZeroGen Pty Ltd. This is partially offset by a decrease in funding for Climate Smart Homes and the Qld Smart Energy Saving Fund Programs (QSESF).
66. The decrease in the 2011-12 Target/estimate compared to the 2010-11 Estimated actual is mainly due to a decrease in funding for the Wandoan Power project under QFGF, the winding down of ZeroGen Pty Ltd, Climate Smart Homes, Smart Mining and the Qld Smart Energy Saving Fund Programs (QSESF). The realignment of funding for programs including the Solar Initiatives Package, the Abandoned Mines rehabilitation and the Coastal Geothermal Energy Initiative to match anticipated cash flows also contribute to the movement.
67. The increase in the 2010-11 Estimated actual compared to the 2010-11 Target/estimate is mainly due to additional revenue from Safety and Health explosives reserves, and the Australia/China Coal Mine Safety demonstration project.
68. The increase in the 2011-12 Target/estimate compared to the 2010-11 Target/estimate is mainly due to additional funding from ACA Low Emissions Technologies Ltd (ACALET) for the Carbon Geostorage initiative, Safety and Health explosives reserves and the Australia/China Coal Mine Safety demonstration project.
69. The increase in the 2011-12 Target/estimate compared to the 2010-11 Estimated actual is mainly due to additional funding from the ACALET Carbon Geostorage initiative.
70. The natural disasters in the earlier months of 2011 have reduced demand for DEEDI services.
71. The increased 2010-11 Estimated actual is due to the commencement of new projects and the targets being met.
72. The increased 2011-12 Target/estimate is due to the internal transfer of the Science Business Unit to Science, Agriculture, Food and Regional Services.
73. This measure is new to Science, Agriculture and Regional Services service area and no target was estimated during the 2010-11 budget process. This measure was previously reported through the Employment and Economic Development service area – see note 15. The 2011-12 Target/estimate for DEEDI has increased due to Smart State – Investment for the Future Program.
74. The increased 2010-11 Estimated actual is due to an increased number of Regulatory Impact Statements submitted for review and comment.
75. The decrease in the 2011-12 Target/estimate reflects the internal transfer of the Tourism business unit to the Employment and Economic Development service area. The Tourism business unit contribution to this measure will now

be reported through the Employment and Economic Development service area. The overall Science, Agriculture and Regional Services target is based on the expected program of regulatory work for 2011-12.

76. The increase in the 2011-12 Target/estimate is due to (i) the transfer of functions from Employment and Economic Development to Science, Agriculture, Food and Regional Services; (ii) the cessation of the “talking Scientists“ and “Science on Saturday” workshop; and (iii) a higher than anticipated requirement for forums.
77. The decrease in the 2010-11 Estimated actual is due to (i) the delay in preparing planning schemes due to natural disasters; and (ii) the reduction in the level of demand for this service.
78. The reduction in the 2011-12 Target/estimate for Integrated Development Assessment Systems directly reflects changes to legislation which allows for self-assessment. The introduction of the self-assessment process in mid-2010 has reduced the level of demand from DEEDI for this service.
79. This target was originally part of Liquor, Gaming, Racing and Fair Trading. As such the target is reflective of this former service area as a whole and not indicative of the expected performance of the Racing component.
80. The decreased 2010-11 Estimated actual is due to the reduced number of businesses seeking accreditation that were affected by a range of factors including seasonal conditions, market conditions, changes to pest status and interstate requirements.
81. The increase in the 2011-12 Target/estimated reflects an anticipated increase in forecast demand against 2010-11 target.
82. The reason for the significant variance is that there is currently no state drought declared areas in Queensland (first time since June 1999) and the claims through Drought and Recovery Assistance Scheme (DRAS) will be for recovery - for example, returning from agistment and restocking. Although the programs for natural disaster assistance are established through the Science, Agriculture, Food and Regional Services area, they are generally delivered through QRAA and therefore businesses assisted are counted through QRAA.
83. The decreased in the 2011-12 Target/estimate is due to improved seasonal conditions which reduce the need for this service as there is currently no state drought declared areas in Queensland (first time since June 1999). Although the programs for natural disaster assistance are established through the Science, Agriculture, Food and Regional Services area, they are generally delivered through QRAA and therefore businesses assisted are counted through QRAA.
84. The increased 2010-11 Estimated actual is due to the high number of projects implemented in the horticulture and forestry industries that have resulted in the outputs being greater than originally estimated.
85. The increased 2010-11 Estimated actual is due to additional flood recovery workshops being held.
86. The overall increase in the 2011-12 Target/estimate reflects an increase in demand for this service. This service standard applies to three service areas: Employment and Economic Development; Mines and Energy and Science, Agriculture, Food and Regional Services. The overall 2011-12 Estimated target for DEEDI has increased from 2010-11.
87. The overall decrease in the 2011-12 Target/estimate reflects an decrease in demand for this service
88. The increased 2010-11 Estimated actual is the result of increased participation at additional workshops held relating to Cyclone Yasi in 2011 and 2010 DERM Reef Protection activity.
89. The increased 2010-11 Estimated actual is due to increased efforts to raise the profiles of food and wine businesses.
90. The increased 2010-11 Estimated actual is due to increased number of consultations as a result of the 2011 January floods and Cyclone Yasi.
91. The increase in the 2010-11 Estimated actual is due to (i) Science business group activities transferred from Employment and Economic Development to Science, Agriculture, Food and Regional Services: and (ii) the high level of activities collaborating with supply chains.
92. The increase in the 2010-11 Estimated actual compared to the 2010-11 Target/estimate is largely due to additional funding received for the operating costs of the Ecosciences and Health & Food Sciences Precincts (H&FS) and pest and disease incursions including the National Red Imported Fire Ant Eradication Program (NRIFAEP). This is partially offset by the transfer of funding for Flood and Cyclone Recovery to the Queensland Reconstruction Authority (QRA), which will be reinstated to DEEDI as other revenue and a realignment of funding for the Western Hardwoods Plan, Smart Futures Funding (SFF), iLab, Innovation Building Fund (IBF), the Brain Institute, Biotechnology Strategy to match anticipated cash flows.
93. The increase in the 2011-12 Target/estimate compared to the 2010-11 Target/estimate is predominantly due to additional funding for the Smart State - Investment for the Future Program, continuation of the existing for the Smart State Fund (SSF) including the National Collaborative Research Infrastructure Strategy (NCRIS); and the Ecosciences and Health & Food Sciences Precincts. In addition, funding has been realigned for the SFF and the Biotechnology Strategy to match anticipated cash flows.
94. The increase in the 2011-12 Target estimate compared to the 2010-11 Estimated actual is predominantly due to additional funding for the Smart State - Investment for the Future Program, continuation of the existing Smart State Fund (SSF) including the NCRIS and the Ecosciences and Health & Food Sciences Precincts.
95. The increase in the 2010-11 Estimated actual compared to the 2010-11 Target/estimate is largely due to additional funding for pest and disease incursions including the NRIFAEP, an increase in external funding approvals for research and development (R&D) projects and a gain from the sale of the Oonoonba Research Station to the Urban Land Development Authority (ULDA). This is partially offset by a decrease due to the realignment of funding for grants for the Racing Industry Capital Development Scheme (RICDS) to match anticipated cash flows.
96. The increase in the 2011-12 Target/estimate compared to the 2010-11 Target/estimate is largely due to additional funding for pest and disease incursions across the State including the NRIFAEP, an increase in external funding approvals for R&D projects, revenue received from the QRA for flood and cyclone recovery activities (including RRP) and an increase related to the realignment of funding for the RICDS and the Tropical Rock Lobster (TRL) Trawl Fishing Licenses buy-back program to match anticipated cash flows. This is partially offset by a decrease in funding provided by the Estates Construction Fund (ECF) for the construction of the Smart State Medical Research Centre (SSMRC).
97. The increase in the 2011-12 Target/estimate compared to the 2010-11 Estimated actual is largely due to additional revenue received from the QRA for flood and cyclone recovery activities (including RRP) and an increase related to the realignment of funding for the RICDS and the TRL Trawl Fishing Licenses buy-back program to match anticipated cash flows. This is partially offset by a decrease in funding provided by the ECF for the construction of the SSMRC and a decrease related to the sale of Oonoonba Research Station during 2010-11.
98. The variance between revenues and total costs mainly relates to Notional Interest on Innovation Building Fund loans. In addition, the 2010-11 Estimated actual includes the impairment on the Animal Research Institute prior to transfer to the Department of Local Government and Planning partly offset by the gain on sale of Oonoonba Research Station to ULDA.

INCOME STATEMENT

Department of Employment, Economic Development and Innovation	Notes	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue	1,10,18	848,757	871,219	962,056
User charges	2,11,19	50,813	88,400	69,638
Grants and other contributions	3,12,20	154,950	180,216	229,990
Other revenue		10,085	11,282	11,402
Gains on sale/revaluation of property, plant and equipment and investments	4,21	503	12,746	651
Total income		**1,065,108**	**1,163,863**	**1,273,737**
Expenses				
Employee expenses	5,13,22	456,042	466,348	455,035
Supplies and services	6,14,23	225,970	295,820	319,361
Grants and subsidies	7,15,24	317,102	308,266	401,491
Depreciation and amortisation		29,719	35,594	33,286
Finance/borrowing costs		22,567	24,099	25,122
Other expenses	16,25	4,946	4,288	17,021
Losses on sale/revaluation of property, plant and equipment and investments	8,26	23	12,872	3
Total expenses		**1,056,369**	**1,147,287**	**1,251,319**
OPERATING SURPLUS/(DEFICIT)	9,17,27	**8,739**	**16,576**	**22,418**

STATEMENT OF CHANGES IN EQUITY

Department of Employment, Economic Development and Innovation	Notes	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	(292)	..
Increase/(decrease) in asset revaluation reserve		21,685	16,685	16,685
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**21,685**	**16,393**	**16,685**
Surplus/(deficit) for the period	9,17,27	8,739	16,576	22,418
Total recognised income and expense for the period		**30,424**	**32,969**	**39,103**
Equity injection/(withdrawal)	28,30	42,042	30,049	25,826
Equity adjustments (MoG transfers)	29,31,32	110,293	319,246	..
Total movement in equity for period		**182,759**	**382,264**	**64,929**

BALANCE SHEET

Department of Employment, Economic Development and Innovation	Notes	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets		40,182	32,099	33,911
Receivables		50,790	51,082	51,400
Other financial assets		..	..	..
Inventories		2,064	2,092	2,120
Other		7,573	8,656	8,806
Non-financial assets held for sale		6,170	11,879	11,879
Total current assets		**106,779**	**105,808**	**108,116**
NON-CURRENT ASSETS				
Receivables	33,43	17,807	33,280	38,804
Other financial assets	34,44	123,662	21,158	21,158
Property, plant and equipment	35,45,51	1,215,276	1,383,795	1,409,481
Intangibles	36,52	19,431	10,875	28,760
Other		25,859	28,275	30,759
Total non-current assets		**1,402,035**	**1,477,383**	**1,528,962**
TOTAL ASSETS		**1,508,814**	**1,583,191**	**1,637,078**
CURRENT LIABILITIES				
Payables		53,169	43,110	48,730
Accrued employee benefits		14,428	18,470	18,470
Interest-bearing liabilities and derivatives		10,710	11,895	10,739
Provisions	37	11,238	22,007	16,604
Other	38,46	58,491	29,207	30,743
Total current liabilities		**148,036**	**124,689**	**125,286**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		107,186	107,327	97,413
Provisions	39,47	..	12,121	10,686
Other		5,340	5,481	5,191
Total non-current liabilities		**112,526**	**124,929**	**113,290**
TOTAL LIABILITIES		**260,562**	**249,618**	**238,576**
NET ASSETS/(LIABILITIES)		**1,248,252**	**1,333,573**	**1,398,502**
EQUITY				
Capital/contributed equity	40,48,53	1,195,712	1,423,394	1,449,220
Accumulated surplus/(accumulated deficit)	41,49,54	9,522	(123,353)	(100,935)
Reserves:				
- Asset revaluation surplus	42,50,55	43,018	33,532	50,217
- Other (specify)		..	..	..
TOTAL EQUITY		**1,248,252**	**1,333,573**	**1,398,502**

CASH FLOW STATEMENT

Department of Employment, Economic Development and Innovation	Notes	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts	56,68,78	848,757	877,105	962,056
User charges	57,69,79	56,862	91,728	70,924
Grants and other contributions	58,70,80	154,950	180,216	229,990
Other		47,304	51,749	48,444
Outflows:				
Employee costs	59,71,81	(455,306)	(465,612)	(455,035)
Supplies and services	60,72,	(263,984)	(360,455)	(354,361)
Grants and subsidies	61,73,82	(317,102)	(310,590)	(399,997)
Borrowing costs		(7,273)	(7,274)	(7,064)
Other	62,74,83	(8,492)	64,474	(22,020)
Net cash provided by/(used in) operating activities		**55,716**	**121,341**	**72,937**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment	63,84	25,891	10,748	21,183
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	64,75	(102,336)	(77,816)	(84,192)
Payments for investments		..	..	..
Loans and advances made		(22,105)	(24,088)	(22,872)
Net cash provided by/(used in) investing activities		**(98,550)**	**(91,156)**	**(85,881)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings	65,85	..	(72,302)	..
Equity injections	66,76,86	216,910	107,498	188,950
Outflows:				
Borrowing redemptions		(10,453)	(10,453)	(11,070)
Finance lease payments		..	..	..
Equity withdrawals	67,77,87	(174,868)	(80,676)	(163,124)
Net cash provided by/(used in) financing activities		**31,589**	**(55,933)**	**14,756**
Net increase/(decrease) in cash held		**(11,245)**	**(25,748)**	**1,812**
Cash at the beginning of financial year		**58,371**	**57,034**	**32,099**
Cash transfers from restructure		(6,944)	813	..
Cash at the end of financial year		**40,182**	**32,099**	**33,911**

ADMINISTERED INCOME STATEMENT

Department of Employment, Economic Development and Innovation	Notes	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Revenues				
Commonwealth grants		..	..	..
Taxes, fees and fines	92,98	102,786	101,663	44,159
Royalties, property income and other territorial Revenue	88,93,99	3,155,738	2,688,550	55,704
Interest		74	74	2
Administered revenue	89,94,100	417,940	458,028	473,566
Other	95,101	47,650	46,880	3,422
Total revenues		**3,724,188**	**3,295,195**	**576,853**
Expenses				
Supplies and services		65	85	171
Depreciation and amortisation		120	120	120
Grants and subsidies	90,96,102	453,376	492,331	473,362
Benefit payments		..	..	..
Borrowing costs		1,258	2,806	121
Other		2,610	2,610	..
Total expenses		**457,429**	**497,952**	**473,774**
Net surplus or deficit before transfers to Government		**3,266,759**	**2,797,243**	**103,079**
Transfers of administered revenue to Government	91,97,103	**3,266,448**	**2,798,480**	**100,254**
OPERATING SURPLUS/(DEFICIT)		**311**	**(1,237)**	**2,825**

ADMINISTERED BALANCE SHEET

Department of Employment, Economic Development and Innovation	Notes	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets		72,607	58,577	67,014
Receivables	104,109,114	516,280	681,426	17,566
Inventories		..	..	..
Other		..	..	..
Non-financial assets held for sale		..	..	..
Total current assets		**588,887**	**740,003**	**84,580**
NON-CURRENT ASSETS				
Receivables	105,110	150,785	52,838	55,063
Other financial assets		..	..	..
Property, plant and equipment		79,005	80,651	80,697
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**229,790**	**133,489**	**135,760**
TOTAL ADMINISTERED ASSETS		**818,677**	**873,492**	**220,340**
CURRENT LIABILITIES				
Payables		55,597	70,226	64,859
Transfers to Government payable	106,111,115	520,858	652,854	2,517
Interest-bearing liabilities		..	..	..
Other		12,172	13,190	13,579
Total current liabilities		**588,627**	**736,270**	**80,955**
NON-CURRENT LIABILITIES				
Payables		275	280	292
Interest-bearing liabilities		..	..	..
Other		..	..	..
Total non-current liabilities		**275**	**280**	**292**
TOTAL ADMINISTERED LIABILITIES		**588,902**	**736,550**	**81,247**
ADMINISTERED NET ASSETS/(LIABILITIES)		**229,775**	**136,942**	**139,093**
EQUITY				
Capital/Contributed equity	107,112	269,919	135,456	134,782
Accumulated surplus/(Accumulated deficit)	108,113	(40,144)	1,486	4,311
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL ADMINISTERED EQUITY		**229,775**	**136,942**	**139,093**

ADMINISTERED CASH FLOW STATEMENT

Department of Employment, Economic Development and Innovation	Notes	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Administered item receipts	116,123	417,940	476,684	473,566
Grants and other contributions	124,129	36,670	35,557	..
Taxes, fees and fines	125,130	102,790	101,667	44,159
Royalties, property income and other territorial revenues	117,126,131	3,152,980	2,661,532	55,704
Other		9,588	931	780
Outflows:				
Transfers to Government	118,127,132	(3,267,840)	(2,704,989)	(100,254)
Grants and subsidies	119,128,133	(453,376)	(563,842)	(473,362)
Supplies and services		2,193	4,673	(171)
Borrowing costs		..	5	12
Other		(2,606)	(2,607)	..
Net cash provided by/(used in) operating activities		**(1,661)**	**9,611**	**434**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed	120,134	1,100	89,320	1,100
Outflows:				
Payments for property, plant and equipment and intangibles		..	..	(166)
Payments for investments		..	..	..
Loans and advances made		(10,844)	(2,844)	(413)
Net cash provided by/(used in) investing activities		**(9,744)**	**86,476**	**521**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	121,134	11,439	141,211	546
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	122,134	(1,220)	(227,092)	(1,220)
Net cash provided by/(used in) financing activities		**10,219**	**(85,881)**	**(674)**
Net increase/(decrease) in cash held		**(1,186)**	**10,206**	**281**
Administered cash at beginning of financial year		**91,431**	**72,263**	**58,577**
Cash transfers from restructure		(17,638)	(23,892)	8,156
Administered cash at end of financial year		**72,607**	**58,577**	**67,014**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Machinery of Government (MoG) changes:

- MoG changes with an effective date of 21 February 2011 resulted in the transfer of the Office of Liquor and Gaming Regulation, Office of Fair Trading and the Office of Regulatory Policy (OLG&FT) from DEEDI to the Department of Justice and Attorney General (JAG). Consequently, the 2010-11Adjusted Budget and the 2010-11 Estimated actual in the Financial Statements reflect the eight months of activity relating to the transferred functions.
- MoG changes with an effective date of 21 February 2011 resulted in the transfer of the Coordinator-General (CG) functions from the former Department of Infrastructure and Planning (DIP) to DEEDI. Consequently, the 2010-11 Adjusted Budget and the 2010-11 Estimated actual in the Financial Statements reflect the four months of activity relating to the transferred functions.
- MoG changes with an effective date of 1 April 2011resulted in the transfer of the Wal Meta Unit from DEEDI to the Public Services Commission (PSC). Consequently, the 2010-11Adjusted Budget and the 2010-11 Estimated actual in the Financial Statements reflect the nine months of activity relating to the transferred functions.
- MoG changes with an effective date of 1 July 2011 will result in the transfer of the Mining Royalties Unit (MRU) and Royalty revenue payable under the *Mineral Resources Act 1989* and the *Petroleum and Gas (Production and Safety) Act 2004* from DEEDI to Queensland Treasury. Consequently, the 2011-12 Estimate does not reflect the activity relating to the transferred functions.
- MoG changes with an effective date of 1 January 2010 resulted in the transfer of Native Titles function for mining activities from the Department of Environment and Resource Management (DERM) to DEEDI. This was not able to be included in DEEDI's 2010-11 Budget Papers.
- Administrative changes with an effective date of 1 July 2010 resulted in the transfer of the *Property Agents and Motor Dealers Act 2000* (PAMDA) Claim Fund from DEEDI to Queensland Treasury (QT). Consequently, the 2010-11 Adjusted Budget, the 2010-11 Estimated actual and the 2011-12 Estimate exclude the interest revenue applicable to the fund.

Income statement

Major variations between 2010-11 Adjusted Budget and 2010-11 Estimated actual include:

1. The increase is largely due to funding provided to facilitate the winding down of ZeroGen Pty Ltd, operating costs of the Ecosciences and Health and Food Sciences (H&FS) Precincts, Mary Valley Land Management, Qld Future Growth Funding (QFGF) for Wandoan Power project, Collingwood Park remediation, and pest and disease incursions across the State including the National Red Imported Fire Ant Eradication Program (NRIFAEP). An extension of the NRIFAEP to 30 June 2012 was formally approved under National Cost Sharing (NCS) Arrangements subsequent to the 2010-11 Budget being published. This is partly offset by a reduction in funding for the MoG transfer of the OLG&FT functions, transfer of funding to Department of Education & Training (DET) for Solar Kindergartens as part of the Solar Initiatives Package and the transfer of funding for Flood and Cyclone Recovery to the Queensland Reconstruction Authority (QRA) which will be reinstated to DEEDI as grants. Also, contributing to the movement is the realignment of funding for numerous programs including Yarwun Alumina Refinery, Smart Futures Funding (SFF), Carbon Geostorage, Queensland Renewable Energy Fund (QREF) including the Coastal Geothermal Energy Initiative, iLab, Innovation Building Fund (IBF), the Brain Institute, Biotechnology Strategy, the Western Hardwoods plan and Indigenous Business Grants to match anticipated cash flows.
2. The increase is largely due to additional funding for pest and disease incursions including the NRIFAEP, the Queensland Natural Disaster Jobs and Skills Package (QNDJSP), Safety and Health fee for service revenue, revenues for the Australia/China Coal Mine Safety demonstration project, increased revenues from CSIRO for the H&FS precinct fit outs and recovery of project costs incurred on behalf of Special Purpose Vehicle (SPV) companies.
3. The increase is largely due to revenue received from QRA for flood and cyclone recovery activities including the Rural Resilience Package (RRP) and the QNDJSP, additional revenue from DET for the delivery of particular employment programs and an increase in external funding approvals for research and development (R&D) projects. This is partially offset by MoG transfer of the OLG&FT functions. Also contributing to the movement is the realignment of funding for the State Development Area Stanwell to Gladstone Infrastructure Corridor, the Gold Coast Parkland Redevelopment, the Surat Basin Railway project and grants provided for the Racing Industry Capital Development Scheme (RICDS) to match anticipated cash flows.
4. The increase is largely due to gain on sale of Oonoonba Research Station to Urban Land Development Authority (ULDA).
5. The increase is largely due to increased expenses for pest and disease incursions including NRIFAEP, the MoG transfer of CG functions to DEEDI, and MoG transfer of the OLG&FT functions from DEEDI.
6. The increase is primarily due to increased expenses for pest and disease incursions including NRIFAEP, additional expenses due to Collingwood Park remediation activities, MoG transfer of the CG functions, including Mary Valley Land Management, operating costs of H&FS and Ecosciences precincts, expenditure on flood and cyclone recovery activities including the RRP and the QNDJSP and increased R&D project costs. This is partially offset by a decrease due to the transfer of funding to DET for Solar Kindergartens as part of the Solar Initiatives Package. The movement also includes the realignment of funding for the State Development Area Stanwell to Gladstone Infrastructure Corridor, Carbon Geostorage, and QREF including the Coastal Geothermal Energy Initiative to match anticipated cash flows.
7. The decrease is largely due to the transfer of grant funding to DET for Solar Kindergartens as part of Solar Initiative Package. This is partially offset by additional expenses to facilitate the winding down of ZeroGen Pty Ltd, Wandoan Power project under the QFGF, expenses for flood and cyclone recovery activities (including the RRP and the QNDJSP) and expenses for delivery of employment programs The movement also includes the realignment of funding for the Yarwun Alumina Refinery, RICDS, SFF, IBF, iLab, Brain Institute, Biotechnology Strategy and the Western Hardwoods plan to match anticipated cash flows.
8. The increase is largely due to the transfer of the Animal Research Institute (ARI) to the Department of Local Government and Planning (DLGP).
9. The increase in the surplus is mainly due to the MoG transfer of the CG functions, which includes capital expenditure funding for land purchases for the Gold Coast Parkland Redevelopment.

Major variations between 2010-11 Adjusted Budget and 2011-12 Estimate include:

10. The increase is largely due to full year effect of the MoG transfer of CG functions, additional funding for the Smart State – Investment for the Future Program, continuation of the existing Smart State Fund (SSF) programs including the National Collaborative Research Infrastructure Strategy (NCRIS) and Research and Innovation Programs, the Ecosciences and H&FS Precincts, the Qld Climate Change Fund (QCCF) and the payment of an Enterprise Bargaining (EB) increment for 2011-12. This is partially offset by full year effect of the OLG&FT MoG to JAG, a decrease in funding for Climate Smart Homes and the Qld Smart Energy Saving Fund Programs (QSESF). Also, contributing to the movement is the realignment of funding for numerous programs including design and upgrade of Mareeba Airport, SFF, Yarwun Alumina Refinery, Solar Initiatives Package, funding to facilitate the winding down of ZeroGen Pty Ltd, and the Biotechnology Strategy to match anticipated cash flows.
11. The increase is largely due to increased funding for pest and disease incursions across the State (including NRIFAEP), full year effect of the MoG transfer of CG functions and increased fee for service revenues including additional revenue anticipated for project work on behalf of SPV's. This is partially offset by full year effect of the OLG&FT MoG to JAG.
12. The increase is largely due to additional Estates Construction Fund (ECF) funding approved by the Minister for Industrial Development of Queensland (MIDQ) including funding for the Townsville Eastern Access Corridor, Callide Infrastructure Corridor and Abbot Point State Development Area, additional revenue from the Department of Resources, Energy and Tourism (DRET) and ACA Low Emissions Technologies Ltd (ACALET) for the Carbon Geostorage initiative, revenue received from the QRA for flood and cyclone recovery activities (including the RRP and QNDJSP), additional revenue from DET for the delivery of particular employment programs, full year effect of the MoG transfer of the CG functions and an expected increase in external funding approvals for R&D projects. This is partially offset by the decrease in funding provided by the ECF for the construction of the Smart State Medical Research Centre (SSMRC), and full year effect of the OLG&FT MoG to JAG. Also, contributing to the movement is the realignment of funding for the State Development Area Stanwell to Gladstone Infrastructure Corridor, the RICDS and the Tropical Rock Lobster (TRL) Trawl Fishing Licenses buy-back program to match anticipated cash flows.
13. The decrease is largely due to full year effect of the OLG&FT MoG to JAG, partially offset by increased expenses for pest and disease incursions including the NRIFAEP, full year effect of the MoG transfer of CG functions, expenditure related to additional MIDQ funding and EB increments in 2011-12.
14. The increase is largely due to increased expenses associated with full year effect of the MoG transfer of CG functions, anticipated expenditure for the DRET and ACALET funded Carbon Geostorage initiative, pest and disease incursions (including the NRIFAEP), Abandon Mines rehabilitation, project work undertaken on behalf of SPV's, operating costs of the H&FS and Ecosciences precincts, expenditure on flood and cyclone recovery activities including the RRP and the QNDJSP, expenditure related to the QCCF, MIDQ funding, State Development Area Stanwell to Gladstone Infrastructure Corridor and increased R&D project costs. This is partially offset by a decrease associated with full year effect of OLG&FT MoG to JAG.
15. The increase is largely due to the increased expenses associated with the full year effect of the MoG transfer of CG functions, additional expenses for the Smart State – Investment for the Future Program, increased expenses for the existing SSF including Research and Innovation Programs, delivery of DET employment programs and expenses for flood and cyclone recovery activities (including the RRP and the QNDJSP). This is partially offset by a decrease due to full year effect of OLG&FT MoG to JAG, a decrease for the construction of the SSMRC and for Climate Smart Homes. Also, contributing to the movement is the realignment of funding for the QSESF, ZeroGen Pty Ltd, RICDS, Mareeba Airport upgrade, Yarwun Alumina Refinery, Solar Initiatives Package, SFF (including NCRIS and Innovation fund), Biotechnology Strategy and the TRL Trawl Fishing licenses buy-back program to match anticipated cash flows.
16. The increase is mainly due to full year effect of the MoG transfer of the CG functions, offset by the full year effect of OLG&FT MoG to JAG.
17. The increase is predominantly due to 2011-12 MIDQ Corporation Funding Approvals for capital expenditure projects which includes funding for the Townsville Eastern Access Corridor, Callide Infrastructure Corridor and the Abbot Point State Development Area.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

18. The increase is largely due to additional funding for the Smart State – Investment for the Future Program, the existing SSF including the NCRIS and Research and Innovation Programs and Abandon Mines rehabilitation, additional revenue from full year effect of the MoG transfer of the CG functions, the QCCF and supplementation for the EB increment in 2011-12. This is partially offset by decreased revenue as a result of full year effect of the OLG&FT MoG to JAG, decreased funding for Wandoan Power project under QFGF, the winding down of ZeroGen Pty Ltd, Climate Smart State Homes, Smart Mining and reduced funding for Ecosciences precinct due to the transfer of building and depreciation costs to DPW and DERM. The realignment of funding for numerous programs including the design and upgrade of Mareeba Airport, Yarwun Alumina Refinery, Solar Initiatives Package, QSESF, the QREF including the Coastal Geothermal Energy Initiative and Biotechnology Strategy to match anticipated cash flows also contribute to the movement.
19. The decrease is largely due to the completion of funding provided under the QNDJSP, full year effect of OLG&FT MoG to JAG and anticipated reductions in fee for service projects. This is partially offset by increased revenue from project work undertaken on behalf of SPV's.
20. The increase is largely due to additional ECF funding including funding for the Townsville Eastern Access Corridor, Callide Infrastructure Corridor and the Abbot Point State Development Area, DRET and ACALET Carbon Geostorage initiative, revenue from the QRA for flood and cyclone recovery activities (including the RRP and the QNDJSP), and revenue realigned for the TRL Trawl Fishing Licenses buy-back program. This increase is partially offset by the decrease in funding for the construction of the SSMRC, full year effect of the OLG&FT MoG to JAG. Also contributing to the movement is the realignment of funding for the State Development Area Stanwell to Gladstone Infrastructure Corridor and the RICDS to match anticipated cash flows.
21. The decrease is largely due to the sale of Oonoonba Research Station to the ULDA during 2010-11.
22. The decrease is predominantly due to the full year effect of the OLG&FT MoG to JAG. This is partially offset by an increase as a result of the full year effect of the MoG transfer of the CG functions, additional expenditure related to MIDQ funding and EB increments in 2011-12.

23. The increase is mainly due to full year effect of the MoG transfer of the CG functions, expenditure on flood and cyclone recovery activities (including the RRP and the QNDJSP), expenses related to the QCCF and Abandon Mines rehabilitation, anticipated expenditure for the DRET and ACALET funded Carbon Geostorage initiative, project work undertaken on behalf of SPV's and additional expenditure related to MIDQ funding. This is partially offset by a decrease mainly due to the full year effect of the OLG&FT MoG to JAG (including CIF), a decrease in expenditure for Smart Mining and an anticipated decrease in fee for service projects. Also contributing to the movements is the realignment of funding for State Development Area Stanwell to Gladstone Infrastructure Corridor and QREF including the Coastal Geothermal Energy Initiative.
24. The increase is largely due to the full year effect of the MoG transfer of the CG functions, additional expenses for the Smart State – Investment for the Future Program, increased expenses for the existing SSF (including NCRIS and Research and Innovation Programs) and the QNDJSP. This is partially offset by a decrease in funding for the Wandoan Power project under the QFGF, expenses the construction of the SSMRC, the full year effect of OLG&FT MoG to JAG and a decrease in expenses for Climate Smart Homes. Additionally, the realignment of funding for the QSESF, ZeroGen Pty Ltd, RICDS, Mareeba Airport upgrade, Yarwun Alumina Refinery, Solar Initiatives Package, the Biotechnology Strategy and TRL Trawl Fishing licenses buy-back to match anticipated cash flow requirements contributes to the movement.
25. The increase reflects the full year effect of the MoG transfer of the CG functions, which includes asset transfers.
26. The decrease is largely due to the transfer of the ARI to DLGP during 2010-11.
27. The increase is predominantly due to 2011-12 MIDQ Funding Approvals for capital expenditure projects, which includes the Townsville Eastern Access Corridor, Callide Infrastructure Corridor and the Abbot Point State Development Area. This is offset partly by funding received for land purchases for the Gold Coast Parkland Redevelopment in 2010-11.

Statement of changes in equity

Major variations between 2010-11Adjusted Budget and 2010-11 Estimated actual include:
28. The decrease mainly relates to the 2020 Beef property purchase during 2010-11, which was completed at a value lower than expected. In addition, funding adjustments for Ecosciences and H&FS precincts were finalised in 2010-11.
29. The increase reflects the effect of the MoG transfer of CG functions to DEEDI offset by the effect of OLG&FT MoG to JAG and the transfers of Ecosciences Precinct to DPW and DERM, H&FS Precinct to QH and ARI to DLGP, which occurred during 2010-11.

Major variations between 2010-11 Adjusted Budget and 2011-12 Estimate include:
30. The decrease is largely due to funding adjustments included for the 2020 Beef property purchase and the Ecosciences Precinct, both of which were completed during 2010-11. This is partly offset by additional funding in 2011-12 for the Innovation Building Fund.
31. The decrease reflects the effect of the MoG transfer of CG functions to DEEDI offset by the effect of OLG&FT MoG to JAG in 2010-11.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
32. The decrease reflects the effect of the MoG transfer of the CG functions to DEEDI, offset by the effect of OLG&FT MoG to JAG and the transfers of Ecosciences Precinct to DPW and DERM, H&FS Precinct to QH and ARI to DLGP, which occurred during 2010-11.

Balance sheet

Major variations between 2010-11 Adjusted Budget and 2010-11 Estimated actual include:
33. The increase mainly represents recording the instalments receivable for the sale of the Oonoonba Research Station to the ULDA, which occurred during 2010-11.
34. The decrease relates to the impairment of the ZeroGen Pty Ltd investment during 2009-10 after the publication of the 2010-11 Budget.
35. The increase mainly relates to asset transfers in relation to the CG MoG partially offset by the 2020 Beef property purchase which was completed at a value lower than anticipated, the sale of the Oonoonba Research Station and the transfers of the Ecosciences Precinct to DPW and DERM, H&FS Precinct to QH and ARI to DLGP. Also, contributing to the movement is the realignment of funding for capital expenditure projects including to Ecosciences Precinct and Tropical Biosecurity Laboratory to match anticipated cash flows.
36. The decrease largely relates to the realignment of funding for Streamlining Mining Tenure Approval (SMTA) project to match anticipated cash flows.
37. The increase mainly relates to the CG MoG and includes provisions for compulsory lands resumptions.
38. The decrease mainly relates to the transfer to DPW, DERM and QH of contributions from the CSIRO for the Ecosciences and H&FS Precincts.
39. The increase mainly relates to the CG MoG and includes provisions for compulsory lands resumptions.
40. The increase mainly relates to the CG MoG partially offset by the 2020 Beef property purchase which was completed at a value lower than what was anticipated, the transfers of the Ecosciences Precinct to DPW and DERM, H&FS Precinct to QH and ARI to DLGP. Also, contributing to the movement is the realignment of funding for capital expenditure projects including to Ecosciences Precinct and Tropical Biosecurity Laboratory to match anticipated cash flows.
41. The decrease reflects the impairment of the ZeroGen Pty Ltd investment, and devaluations of non-current assets, both of which occurred in 2009-10. In addition, there has been a prior year adjustment related to MoG changes.
42. The decrease is largely due to the 2009-10 actual valuations being lower than anticipated market movements.

Major variations between 2010-11 Adjusted Budget and 2011-12 Estimate include:
43. The increase mainly represents instalments receivable for the sale of the Oonoonba Research Station.
44. The decrease relates to the impairment of the in ZeroGen Pty Ltd investment during 2009-10.
45. The increase mainly relates to asset transfers in relation to the CG MoG and 2011-12 MIDQ Corporation funding approvals. This is partially offset by the 2020 Beef property purchase being completed at a value lower than what was anticipated, the disposal of land at Hamilton, the sale of the Oonoonba Research Station and the completion and subsequent transfer of the Ecosciences Precinct to DPW and DERM all occurring in 2010-11.

46. The decrease mainly relates to the transfer to DPW, DERM and QH of contributions from the CSIRO for the Ecosciences and H&FS Precincts.
47. The increase mainly relates to the CG MoG and includes provisions for compulsory lands resumptions.
48. The increase mainly relates to the CG MoG. This is partially offset by the 2020 Beef property purchase which was completed at a value lower than what was anticipated, the disposal of land at Hamilton and subsequent transfer of the Ecosciences Precinct to DPW and DERM all occurring in 2010-11.
49. The decrease relates to the impairment of the ZeroGen Pty Ltd investment and devaluations of non-current assets, both of which occurred in 2009-10 after the 2010-11 Budget was published. In addition, there has been a prior year adjustment related to MoG changes.
50. The increase is mainly due to expected increases in the revaluation of assets during 2011-12 partially offset by 2009-10 actual valuations being lower than anticipated market movements.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
51. The increase is largely due to 2011-12 MIDQ Corporation Funding Approvals offset by reduced funding for the Ecosciences Precinct and land purchases for the Gold Coast Parkland Redevelopment.
52. The increase mainly relates to the CG MoG and the realignment of funding for SMTA to match anticipated cash flows.
53. The increase is largely due to 2011-12 MIDQ Corporation Funding Approvals offset by reduced funding for the Ecosciences Precinct and land purchases for the Gold Coast Parkland Redevelopment. In addition, the disposal of land at Hamilton, a transfer of funds to QH for the H&FS Precinct, the transfer of the Ecosciences Precinct to DPW and DERM and the transfer of the ARI to DLGP occurred in 2010-11.
54. The decrease relates to the anticipated 2010-11 operating surplus, which includes funding received for land purchases for the Gold Coast Parkland Redevelopment.
55. The increase is mainly due to expected increases in the revaluation of assets during 2011-12.

Cash flow statement

Major variations between 2010-11 Adjusted Budget and 2010-11 Estimated actual include:
56. The increase is largely due to funding provided to facilitate the winding down of ZeroGen Pty Ltd, operating costs of the Ecosciences and H&FS Precincts, Mary Valley Land Management, QFGF for Wandoan Power project, Collingwood Park remediation, and pest and disease incursions across the State including the NRIFAEP. This is partly offset by a reduction in funding for the MoG transfer of the OLG&FT functions, transfer of funding to DET for Solar Kindergartens as part of the Solar Initiatives Package and the transfer of funding for Flood and Cyclone Recovery to the QRA, which will be reinstated to DEEDI as grants revenue. Also, contributing to the movement is the realignment of funding for numerous programs including Yarwun Alumina Refinery, SFF, Carbon Geostorage, QREF including the Coastal Geothermal Energy Initiative, iLab, IBF, the Brain Institute, Biotechnology Strategy, Western Hardwoods plan and Indigenous Business Grants to match anticipated cash flows.
57. The increase is largely due to additional funding for pest and disease incursions including NRIFAEP, QNDJSP, Safety and Health fee for service revenue, revenue for the Australia/China Coal Mine Safety demonstration project, increased revenues from CSIRO for H&FS precinct fit outs and recovery of project costs incurred on behalf of SPV companies.
58. The increase is largely due to revenue received from QRA for flood and cyclone recovery activities including the RRP and the QNDJSP, additional revenue from DET for the delivery of particular employment programs and an increase in external funding approvals for R&D projects. This is partially offset by MoG transfer of the OLG&FT functions. Also contributing to the movement is the realignment of funding for the State Development Area Stanwell to Gladstone Infrastructure Corridor, the Gold Coast Parkland Redevelopment, the Surat Basin Railway project and grants provided for the Racing Industry Capital Development Scheme (RICDS) to match anticipated cash flows.
59. The increase is largely due to increased expenses for pest and disease incursions including NRIFAEP and the MoG transfer of CG functions to DEEDI, and MoG transfer of the OLG&FT functions from DEEDI.
60. The increase is primarily due to increased expenses for pest and disease incursions including NRIFAEP, additional expenses due to Collingwood Park remediation activities, MoG transfer of the CG functions, including Mary Valley Land Management, operating costs of H&FS and Ecosciences precincts, expenditure on flood and cyclone recovery activities including the RRP and the QNDJSP and increased R&D project costs. This is partially offset by a decrease due to the transfer of funding to DET for Solar Kindergartens as part of the Solar Initiatives Package. The movement also includes the realignment of funding for the State Development Area Stanwell to Gladstone Infrastructure Corridor, Carbon Geostorage, and QREF including the Coastal Geothermal Energy Initiative to match anticipated cash flows.
61. The decrease is largely due to the transfer of grant funding to DET for Solar Kindergartens as part of Solar Initiative Package. This is partially offset by additional funding to facilitate the winding down of ZeroGen Pty Ltd, Wandoan Power project under the QFGF, grant funding from QRA for flood and cyclone recovery activities (including the RRP and the QNDJSP) from DET for delivery of employment programs The movement also includes the realignment of funding for the Yarwun Alumina Refinery, RICDS, SFF, IBF, iLab, Brain Institute, Biotechnology Strategy and the Western Hardwoods plan to match anticipated cash flows.
62. The decrease relates to the reclassification of CSIRO contributions for Ecosciences and H&FS Precincts from financing activities. Refer note 65.
63. The decrease largely reflects the transfer of ARI to DLGP during 2010-11
64. The decrease is largely due to realignment of funding for capital expenditure projects including to Ecosciences Precinct, SMTA and Tropical Biosecurity Laboratory to match anticipated cash flows.
65. The decrease relates to the reclassification of CSIRO contributions for Ecosciences and H&FS Precincts to operating activities. See note 83.
66. The decrease mainly relates to the CG MoG, which included funding for the Airport Link Project that has been realigned to match anticipated cash flows The 2020 Beef property purchase during 2010-11 was completed at a value lower than what was anticipated. In addition, funding adjustments for the Ecosciences and H&FS precincts were finalised during 2010-11.
67. The decrease mainly relates to funding for the Airport Link Project that has been realigned to match anticipated cash flows for land acquisition costs.

Major variations between 2010-11 Adjusted Budget and 2011-12 Estimate include:

68. The increase is largely due to full year effect of the MoG transfer of CG functions, additional funding for the Smart State – Investment for the Future Program, the existing SSF including the NCRIS and Research and Innovation Programs, the Ecosciences and H&FS Precincts, the QCCF and the payment of an EB increment for 2011-12. This is partially offset by full year effect of the OLG&FT MoG to JAG, a decrease in funding for Climate Smart Homes and the QSESF. Also, contributing to the movement is the realignment of funding for numerous programs including design and upgrade of Mareeba Airport, SFF, Yarwun Alumina Refinery, Solar Initiatives Package, funding to facilitate the winding down of ZeroGen Pty Ltd, and the Biotechnology Strategy to match anticipated cash flows.
69. The increase is largely due to increased funding for pest and disease incursions across the State (including NRIFAEP), full year effect of the MoG transfer of CG functions and increased fee for service revenues including additional revenue anticipated for project work on behalf of SPV's. This is partially offset by full year effect of the OLG&FT MoG to JAG.
70. The increase is largely due to additional ECF funding approved by the MIDQ including funding for the Townsville Eastern Access Corridor, Callide Infrastructure Corridor and Abbot Point State Development Area, additional revenue from the DRET and ACALET for the Carbon Geostorage initiative, revenue received from the QRA for flood and cyclone recovery activities (including RRP and QNDJSP), additional revenue from DET for the delivery of particular employment programs, full year effect of the MoG transfer of the CG functions and an expected increase in external funding approvals for R&D projects. This is partially offset by the decrease in funding provided by the ECF for the construction of the SSMRC, and full year effect of the OLG&FT MoG to JAG. Also, contributing to the movement is the realignment of funding for the State Development Area Stanwell to Gladstone Infrastructure Corridor, the RICDS and the TRL Trawl Fishing Licenses buy-back program to match anticipated cash flows.
71. The decrease is largely due to full year effect of the OLG&FT MoG to JAG, partially offset by increased expenses for pest and disease incursions including the NRIFAEP, full year effect of the MoG transfer of CG functions, expenditure related to additional MIDQ funding and EB increments in 2011-12.
72. The increase is largely due to increased expenses associated with full year effect of the MoG transfer of CG functions, anticipated expenditure for the DRET and ACALET funded Carbon Geostorage initiative, pest and disease incursions (including NRIFAEP), Abandon Mines rehabilitation, project work undertaken on behalf of SPV's, operating costs of the H&FS and Ecosciences precincts, expenditure on flood and cyclone recovery activities including the RRP and the QNDJSP, expenditure related to the QCCF, MIDQ funding, State Development Area Stanwell to Gladstone Infrastructure Corridor and increased R&D project costs. This is partially offset by a decrease associated with full year effect of OLG&FT MoG to JAG.
73. The increase is largely due to the increased expenses associated with the full year effect of the MoG transfer of CG functions, additional increased expenses for the Smart State – Investment for the Future Program, increased expenses for the existing SSF including Research and Innovation Programs, delivery of DET employment programs and expenses from QRA for flood and cyclone recovery activities (including the RRP and the QNDJSP). This is partially offset by a decrease due to full year effect of OLG&FT MoG to JAG, a decrease for the construction of the SSMRC and for Climate Smart Homes. Also, contributing to the movement is the realignment of funding for the QSESF, ZeroGen Pty Ltd, RICDS, Mareeba Airport upgrade, Yarwun Alumina Refinery, Solar Initiatives Package, SFF (including NCRIS and Innovation fund), Biotechnology Strategy and the TRL Trawl Fishing licenses buy-back program to match anticipated cash flows.
74. The increase due to full year effect of MoG transfer of CG functions, offset by the full year effect of OLG&FT MoG to JAG.
75. The decrease is largely due to 2011-12 MIDQ Corporation Funding Approvals, which includes the Townsville Eastern Access Corridor, Callide Infrastructure Corridor and the Abbot Point State Development Area. This is partly offset by reduced funding for the Ecosciences Precinct and land purchases for the Gold Coast Parkland Redevelopment.
76. The 2010-11 Adjusted Budget includes additional funding for the 2020 Beef property purchase and the Ecosciences Precinct.
77. The decrease largely relates to return of sale proceeds to Consolidated Fund for disposal of land at Hamilton in 2010-11.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

78. The increase is largely due to additional funding for the Smart State – Investment for the Future Program, the existing SSF including the NCRIS and Research and Innovation Programs and Abandon Mines rehabilitation, additional revenue from full year effect of the MoG transfer of the CG functions, the QCCF and supplementation for the EB increment in 2011-12. This is partially offset by decreased revenue as a result of full year effect of the OLG&FT MoG to JAG, decreased in funding for Wandoan Power project under QFGF, the winding down of ZeroGen Pty Ltd, Climate Smart State Homes, Smart Mining and reduced funding for Ecosciences precinct due to the transfer of building and depreciation costs to DPW and DERM. The realignment of funding for numerous programs including the design and upgrade of Mareeba Airport, Yarwun Alumina Refinery, Solar Initiatives Package, QSESF, the QREF including the Coastal Geothermal Energy Initiative and Biotechnology Strategy to match anticipated cash flows also contribute to the movement.
79. The decrease is largely due to the completion of funding provided under the QNDJSP, full year effect of OLG&FT MoG to JAG and anticipated reductions in fee for service projects. This is partially offset by increase revenue from project work undertaken on behalf of SPV's.
80. The increase is largely due to additional ECF funding including funding for the Townsville Eastern Access Corridor, Callide Infrastructure Corridor and the Abbot Point State Development Area, DRET and ACALET Carbon Geostorage initiative, revenue from the QRA for flood and cyclone recovery activities (including the RRP and the QNDJSP), and revenue realigned for the TRL Trawl Fishing Licenses buy-back program. This increase is partially offset by the decrease in funding for the construction of the SSMRC, full year effect of the OLG&FT MoG to JAG. Also contributing to the movement is the realignment of funding for the State Development Area Stanwell to Gladstone Infrastructure Corridor and the RICDS to match anticipated cash flows.
81. The decrease is predominantly due to the full year effect of the OLG&FT MoG to JAG. This is partially offset by an increase as a result of the full year effect of the MoG transfer of the CG functions, additional expenditure related to MIDQ funding and EB increments in 2011-12.
82. The increase is largely due to the full year effect of the MoG transfer of the CG functions, additional expenses for the Smart State – Investment for the Future Program, increased expenses for the existing SSF (including NCRIS and Research and Innovation Programs) and the QNDJSP. This is partially offset by a decrease in expenses the Wandoan Power project under the QFGF, the construction of the SSMRC, the full year effect of OLG&FT MoG to JAG and a decrease in expenses for Climate Smart Homes. Additionally, the realignment of funding for the QSESF, ZeroGen Pty Ltd, RICDS, Mareeba Airport upgrade, Yarwun Alumina Refinery, Solar Initiatives Package, the Biotechnology Strategy and TRL Trawl Fishing licenses buy-back to match anticipated cash flow requirements contributes to the movement.

83. The increase reflects the reclassification of contributions from CSIRO for Ecosciences and H&FS Precincts in 2010-11 offset by the full year of the MoG transfer of the CG functions.
84. The increase is largely due to the receipt of an instalment for the sale proceeds from Oonoonba Research Station to the ULDA.
85. The 2010-11 Estimated actual reflects reclassification of contributions from CSIRO for Ecosciences and H&FS Precincts. See note 83.
86. The increase largely relates to funding for Airport Link Project that has been realigned to match anticipated cash flows partially offset by funding in 2010-11 for the Ecosciences Precinct and land purchases for the Gold Coast Parkland Redevelopment.
87. The increase largely relates to funding for Airport Link Project that has been realigned to match anticipated cash flows. This is partly offset by the return of sale proceeds to Consolidated Fund for disposal of land at Hamilton that occurred in 2010-11

Administered income statement

Major variations between 2010-11Adjusted Budget and 2010-11 Estimated actual include:
88. The decrease is mainly due to the revision of mining royalties mainly as a result of significant declines in volumes of export coal, which in turn have been caused by extensive flooding of Queensland coal mines. An expectation of slightly higher than average US$ prices for coal has effectively been offset by the appreciation of the A$ against the US$.
89. The increase is primarily due to increased Community Service Obligations (CSO) payments to Ergon Energy Queensland (Ergon) for electricity tariff adjustments, which are determined each year by a number of factors including the Benchmark Retail Cost Index, franchise load growth and the purchasing cost of energy.
90. The increase is primarily due to increased CSO payments to Ergon.
91. The decrease is mainly due to the revision of mining royalties referred to above.

Major variations between 2010-11 Adjusted Budget and 2011-12 Estimate include:
92. The decrease is mainly due to the full year effect of the OLGFT MoG to JAG.
93. The decrease is mainly due to the MoG transfer of the MRU to QT effective 1 July 2011.
94. The increase is primarily due to the increased payments to Ergon for CSO electricity tariff adjustments partially offset by the cessation of payments to Forestry Plantations Queensland (FPQ) for the Western Hardwoods Plantation (WHP) initiative.
95. The decrease is mainly due to the full year effect of the OLGFT MoG to JAG.
96. The increase is primarily due to the increased payments to Ergon for CSO electricity tariff adjustments partially offset by the full year effect of the OLGFT MoG to JAG and the cessation of payments to FPQ for the WHP Initiative.
97. The decrease is mainly due to the MoG transfer of MRU to QT.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
98. The decrease is mainly due to the full year effect of the OLGFT MoG to JAG.
99. The decrease is mainly due to the MoG transfer of MRU to QT.
100. The increase is primarily due to the increased payments to Ergon for CSO electricity tariff adjustments.
101. The decrease is mainly due to the full year effect of the OLGFT MoG to JAG.
102. The decrease is primarily due to the increased payments to Ergon for CSO electricity tariff adjustments offset by the full year effect of the OLGFT MoG to JAG.
103. The decrease is mainly due to the OLGFT MoG transfer and MoG transfer of MRU to QT.

Administered balance sheet

Major variations between 2010-11Adjusted Budget and 2010-11 Estimated actual include:
104. The decrease mainly relates to royalties receivable.
105. The decrease mainly relates to the repayment of Primary Industry Productivity Enhancement Scheme (PIPES) loan funding advances from QRAA during 2010-11.
106. The increase mainly relates to royalties revenue.
107. The decrease mainly relates to an equity withdrawal payment relating to the repayment of PIPES loan funding advances. In addition, there has been realignment between accumulated deficit and contributed equity due to MoG changes.
108. The increase mainly relates to the realignment between accumulated deficit and contributed equity due to MoG changes and a surplus in 2009-10 due to delays in grant recipients submitting claims from the Community Benefit Fund.

Major variations between 2010-11 Adjusted Budget and 2011-12 Estimate include:
109. The decrease is mainly due to the MoG transfer of the MRU to QT.
110. The decrease mainly relates to the repayment of PIPES loan funding advances from QRAA during 2010-11.
111. The decrease is mainly due to the MoG transfer of the MRU to QT.
112. The decrease mainly relates to an equity withdrawal payment relating to the repayment of PIPES loan funding advances. In addition, there has been realignment between accumulated deficit and contributed equity due to the MoG changes.
113. The increase mainly relates to the realignment between accumulated deficit and contributed equity due to MoG changes and a surplus in 2009-10 due to delays in grant recipients submitting claims from the Community Benefit Fund.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
114. The decrease is mainly due to the MoG transfer of the MRU to QT.
115. The decrease is mainly due to the MoG transfer of the MRU to QT.

Administered cash flow statement

Major variations between 2010-11Adjusted Budget and 2010-11 Estimated actual include:
116. The increase is primarily due to increased CSO payments to Ergon
117. The decrease is mainly due to the revision of mining royalties.
118. The decrease is mainly due to the revision of mining royalties.

119. The increase is primarily due to increased CSO payments to Ergon.
120. The increase represents the repayment of PIPES loans from QRAA.
121. The increase relates to the repayment of PIPES loan funding advances.
122. The increase relates to the repayment of PIPES loan funding advances.

Major variations between 2010-11 Adjusted Budget and 2011-12 Estimate include:
123. The increase is primarily due to the increased payments to Ergon for CSO electricity tariff adjustments partially offset by the cessation of payments to FPQ for the WHP Initiative.
124. The decrease is mainly due to the full year effect of the OLGFT MoG to JAG.
125. The decrease is mainly due to the full year effect of the OLGFT MoG to JAG.
126. The decrease is mainly due to the MoG transfer of MRU to QT.
127. The decrease is mainly due to the MoG transfer of MRU to QT.
128. The increase is primarily due to the increased payments to Ergon for CSO electricity tariff adjustments partially offset by the full year effect of the OLGFT MoG to JAG and the cessation of payments to FPQ for the WHP initiative.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
129. The decrease is mainly due to the full year effect of the OLGFT MoG to JAG.
130. The decrease is mainly due to the full year effect of the OLGFT MoG to JAG.
131. The decrease is mainly due to the MoG transfer of MRU to QT.
132. The decrease is mainly due to the OLGFT MoG transfer and MoG transfer of MRU to QT.
133. The decrease is primarily due to the full year effect of the OLGFT MoG to JAG partially offset by increased payments to Ergon for CSO electricity tariff adjustments.
134. The decrease is due to the repayment of PIPES loan funding advances from QRAA in 2010-11.

Post Budget Day Events

The Non-Current Asset policies of the Queensland Public Sector require Agencies to perform comprehensive revaluations at least once every five years. DEEDI is currently undertaking this exercise along with a valuation of the Mary Valley properties. The outcome of these processes is unknown at this stage. However, it is noted that these may have a decrement impact on the reported operating result in DEEDI's financial statements for 2010-2011.

Commercialised Business Unit

Property Services Group

OVERVIEW

The Property Services Group (PSG) through the Industry Location Scheme and its staff delivers a range of transactional and development services aimed at encouraging the location and expansion of industry in Queensland. In essence, PSG is a long-term, end-to-end developer of industrial land. PSG's activities support a resilient, flexible and diverse economy for Queensland with a core theme of attracting industry and creating and retaining jobs across the State.

PSG commenced operations as a commercialised business unit on 1 January 1998, to deliver a range of services provided through the administration of the *Industrial Development Act 1963*. By managing the Estates Construction Fund, PSG ensures that revenue generated through the sale of land can be used for both property related and other industry support projects that contribute to the economic development of Queensland. It also supports several areas within the Department of Employment, Economic Development and Innovation to deliver industry support mechanisms.

In 2010-11, PSG sustained strong sales growth through the management of its substantial land asset base by supporting the development of the LNG industry in Gladstone and completed construction of a number of Estates in regional Queensland. Sales growth is forecast to continue into 2011-12 with the capital program tapering from construction into a land acquisition and planning phase in line with the Group's business cycle.

REVIEW OF PERFORMANCE

Recent achievements

- Sold $52 million in industrial land, throughout Queensland. The industries located on these sites generated an estimated 100 jobs and created an estimated $40 million in capital investment through improvements on the sites.
- Completed the sale of land on Curtis Island to support the Queensland Gas LNG, Gladstone LNG and Australia Pacific LNG projects. The completion of these land sales represents a key milestone in securing this new industry sector for Queensland. PSG developed three lots to meet specific industry requirements including negotiating access to infrastructure corridors and tenure for marine infrastructure.
- Completed construction of the 35 lot first stage of the Coolum Industrial Estate, 28 lot final stage of the Bohle Industrial Estate, 13 lot extension to the Nordale Industrial Estate, Mount Isa and 11 lot final stage of the South Mackay Industrial Estate.

Future developments

- Sell $66 million in industrial land throughout Queensland generating an estimated 150 jobs and creating an estimated $80 million in capital investment through improvements on the sites.

- Develop 10 lots extension to the Bundaberg Industrial Park and 5 lots within the Aldoga Precinct of the Gladstone State Development Area.
- Secure land for future regional industry development in Abbot Point, Cairns, Mackay and Townsville.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
	2,3	20	14.7	17.6

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. All staff are fully funded from the revenue generated by PSG's activities.
3. Actual PSG FTE numbers in 2010/11 vary from budget due to internal structural changes.

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/Est.
Service Standards				
Value of land sale settlements	1	$40.3 million	$52 million	$66 million
Estimated value of capital investment created through successful land sales applications	3	$40 million	$40 million	$80 million
Percentage of total number of land sales in Regional Queensland		63%	68%	66%
Other measures				
Number of new land lots developed and buildings constructed	2	87	87	15
Number of land leases administered		120	115	103
Number of properties acquired	3	4	2	3
Estimated number of jobs generated through successful land sale applications	4	100	100	150

Notes:
1. The higher than expected sales revenue is as a result of the sale of land on Curtis Island. The 2011-12 target is based upon strong demand for land within the Lytton Industrial Estate.
2. Actual performance in 2010-11 results from completion of developments at Bohle (28 lots), Coolum (35 lots), Nordale Industrial Estate, Mount Isa (13 lots) and South Mackay (11 lots). The estimated target for 2010-11 provides for development at Bundaberg (10 lots) and Aldoga (5 lots). The reduction is due to the Group tapering from the high level of construction activity experienced in 2010-11 to the land acquisition and planning phase of its business cycle.
3. The reduced performance for 2010-11 is due to delays in the identification of available and suitable sites.
4. The 2011-12 target reflects an increase in the estimated number of jobs generated and capital investment expected with a stronger demand for land through land sales applications.

INCOME STATEMENT

Property Services Group	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue		..	..	..
User charges	1,6,11	53,220	67,399	84,579
Grants and other contributions		..	..	..
Other revenue	2,7,12	6,800	12,250	11,148
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**60,020**	**79,649**	**95,727**
Expenses				
Employee expenses		1,864	1,699	2,096
Supplies and services	3,8,13	15,286	22,984	27,491
Grants and Subsidies	4,9,14	62,058	66,845	52,318
Depreciation and amortisation		285	285	291
Finance/borrowing costs		..	..	..
Other expenses		16,664	17,043	17,287
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**96,157**	**108,856**	**99,483**
OPERATING SURPLUS/(DEFICIT)	5,10,15	**(36,137)**	**(29,207)**	**(3,756)**

STATEMENT OF CHANGES IN EQUITY

Property Services Group	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve	16,20,24	(13,503)	(212,948)	6,779
Net amount of all revenue and expense adjustments direct to equity not disclosed above	17,21	18,222	(155,319)	1,011
Net income recognised directly in equity		**4,719**	**(368,267)**	**7,790**
Deficit for the period	18,22,25	(36,137)	(29,207)	(3,756)
Total recognised income and expense for the period		**(31,418)**	**(397,474)**	**4,034**
Equity injection/(withdrawal)	19,23,26	(14,839)	16,349	(22,048)
Equity adjustments (MoG transfers)		..	373,277	..
Total movement in equity for period		**(46,257)**	**(7,848)**	**(18,014)**

BALANCE SHEET

Property Services Group	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	27,35,43	90,535	184,881	148,149
Receivables		12,569	14,172	14,664
Other financial assets		..	..	..
Inventories	28,36,44	351,492	313,251	338,406
Other		16	14	14
Non-financial assets held for sale		..	..	..
Total current assets		**454,612**	**512,318**	**501,233**
NON-CURRENT ASSETS				
Receivables		39,710	40,066	40,026
Other financial assets		..	..	..
Property, plant and equipment	29,37	324,507	344,063	334,990
Deferred tax assets		4,911	4,868	4,868
Intangibles		77	77	47
Other		511	372	372
Total non-current assets		**369,716**	**389,446**	**380,303**
TOTAL ASSETS		**824,328**	**901,764**	**881,536**
CURRENT LIABILITIES				
Payables		18,368	18,664	18,910
Interest bearing liabilities and derivatives		..	..	..
Current tax liabilities		5,467	5,798	5,180
Accrued employee benefits		..	..	..
Other	30,38	6,535	21,456	21,456
Total current liabilities		**30,370**	**45,918**	**45,546**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Deferred tax liabilities	31,39	83,284	89,911	88,069
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**83,284**	**89,911**	**88,069**
TOTAL LIABILITIES		**113,654**	**135,829**	**133,615**
NET ASSETS/(LIABILITIES)		**710,674**	**765,935**	**747,921**
EQUITY				
Capital/contributed equity	32,40,45	378,343	784,523	762,475
Accumulated surplus/(accumulated deficit)	33,41,46	147,349	(22,467)	(25,212)
Reserves:				
- Asset revaluation surplus	34,42,47	184,982	3,879	10,658
- Other (specify)		..	..	..
TOTAL EQUITY		**710,674**	**765,935**	**747,921**

CASH FLOW STATEMENT

Property Services Group	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts		..	..	..
User charges	48,56,63	53,215	64,351	84,573
Grants and other contributions		..	..	..
Other	49,57	7,402	12,470	11,328
Outflows:				
Employee costs		(1,864)	(1,696)	(2,096)
Supplies and services	50,58,64	(86,392)	(70,844)	(52,646)
Grants and subsidies	51,59,65	(62,058)	(66,845)	(52,318)
Taxation equivalents paid		(19,879)	(20,441)	(22,758)
Borrowing costs		..	..	..
Other		(45)	(52)	(50)
Net cash provided by/(used in) operating activities		**(109,621)**	**(83,057)**	**(33,967)**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		13,635	14,461	12,918
Investments redeemed		..	..	..
Loans and advances redeemed		6,414	5,581	6,653
Outflows:				
Payments for property, plant and equipment and intangibles		(20)	(20)	(270)
Payments for investments		..	..	..
Loans and advances made		(17)	(17)	(18)
Net cash provided by/(used in) investing activities		**20,012**	**20,005**	**19,283**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	52,60,66	25,215	20,441	44,595
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	53,61,67	(40,054)	(4,092)	(66,643)
Net cash provided by/(used in) financing activities		**(14,839)**	**16,349**	**(22,048)**
Net increase/(decrease) in cash held		**(104,448)**	**(46,703)**	**(36,732)**
Cash at the beginning of financial year	54,68	**194,983**	**231,584**	**184,881**
Cash transfers from restructure		..	..	..
Cash at the end of financial year	55,62,69	**90,535**	**184,881**	**148,149**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

MoG changes with an effective date of 21 February 2011 resulted in the transfer of the Coordinator-General (CG) functions from the Department of Local Government and Planning (DLGP) to DEEDI.

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. The increase primarily relates to achieving higher than expected inventory land sales in Curtis Island during 2010-11 and higher operating lease income resulting from the increase in rental category percentage from July 2010.
2. The increase relates to interest income from higher than expected cash balances in 2010-11 and increase in finance lease interest from July 2010.
3. The increase reflects an increase in cost of land sold affected by an increase in inventory land sales in 2010-11.
4. The increase relates to additional funding allocated for Gold Coast Parkland Redevelopment to Carrara, offset by realignment of funding for the Surat Basin Railway land acquisition project. Major projects approved by the Minister for Industrial Development of Queensland include Queensland Institute of Medical Research, Stanwell to Gladstone Infrastructure Corridor, Whitsunday Airport upgrade and funding to the Coordinator-General for land planning activities.
5. The decrease is primarily due to the expected increases in inventory land sales during 2010-11.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

6. The increase primarily relates to a higher level of inventory land sales expected due to strong demand for land within Lytton Industrial Estate and higher operating lease income resulting from rental increases during 2011-12.
7. The increase results from interest income being higher due to higher cash reserves and increase in finance lease interest from July 2010.
8. The increase relates to an increase in cost of land sales, in line with the expected increase in inventory land sales in 2011-12.
9. The decrease primarily relate to varying approvals granted by the Minster for Industrial Development including the completion of funding for Queensland Institute of Medical Research and Stanwell to Gladstone Infrastructure Corridor project. This was partly offset by additional funding for Abbot Point Corridor project, Callide to Gladstone Infrastructure Corridor project, Townville Eastern Access Corridor project and funding to the Coordinator-General for projects and land planning activities during 2011-12.
10. The decrease is primarily due to the expected increase in inventory land sales and higher income expected from operating leases and cash reserves during 2011-12.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

11. The increase primarily relates to higher level of inventory land sales expected due to strong demand for land within Lytton Industrial Estate and higher operating lease income resulting from rental increases during 2011-12.
12. The decrease results from interest income being lower due to lower cash reserves in 2011-12.
13. The increase relates to an increase in cost of land sales in line with the expected increase in inventory land sales in 2011-12.
14. The decrease primarily relates to varying approvals granted by the Minister for Industrial Development of Queensland, and includes the completion of funding for Queensland Institute of Medical Research and Stanwell to Gladstone Infrastructure Corridor project and a reduction in funding for Whitsunday Airport upgrade project and for Gold Coast Parkland Redevelopment project during 2011-12. This is partly offset by additional funding approved for Abbot Point Corridor project, Callide to Gladstone Infrastructure Corridor project, Townville Eastern Access Corridor project and an increase in funding for Surat Basin Railway and funding to the Coordinator-General for projects and land planning and project activities during 2011-12.
15. The decrease is primarily due to expected increases in inventory land sales and higher operating lease income resulting from rental increases together with an expected reduction in grant payments primarily due to completion of funding for Queensland Institute of Medical Research and Stanwell to Gladstone Infrastructure Corridor projects during 2011-12.

Statement of changes in equity

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

16. The decrease reflects the transfer from the asset revaluation reserve to contributed equity, due to the transfer of PSG from the former Department of Infrastructure and Planning under MoG arrangements and the revaluation to reflect market movements provided by the State Valuation Services.
17. The decrease reflects the transfer of retained surplus to contributed equity due to the transfer of PSG from the former Department of Infrastructure and Planning under MoG arrangements.
18. The decrease is primarily due to the expected increases in inventory land sales during 2010-11.
19. The increase in equity injections is due to the realignment of planned equity payments to Department of Health to fund the Translational Research Institute at the Princess Alexandra Hospital project, Callide to Gladstone Infrastructure Corridor project and Targinie acquisitions from 2010-11 to 2011-12; off set by reduction in expected retained tax equivalents in 2010-11.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

20. The increase reflects transfer from the asset revaluation reserve to contributed equity, due to the transfer of PSG from the former Department of Infrastructure and Planning under MoG arrangements; and the revaluation to reflect market increases in 2010-11 and anticipated increases in 2011-12 by the State Valuation Services.
21. The decrease reflects the transfer of retained surplus to contributed equity, due to the transfer of PSG from the former Department of Infrastructure and Planning under MoG arrangements.
22. The decrease is primarily due to the expected increase in inventory land sales and higher income expected from operating leases and cash reserves during 2011-12.
23. The increase is due to planned payments to Queensland Health to fund the Translational Research Institute at the Princess Alexandra Hospital in 2011-12 offset by realignment of equity injections for Surat Basin Rail project to 2011-12 and equity injected through sale of Coomera land in 2011-12.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

24. The increase is a result of anticipated land revaluations to reflect increases by the State Valuation Services during 2011-12.
25. The decrease is primarily due to expected increases in inventory land sales and higher operating lease income resulting from increase in rental together with an expected reduction in grant payments primarily due to completion of funding for Queensland Institute of Medical Research and Stanwell to Gladstone Infrastructure Corridor projects during 2010-11.
26. The increase in equity withdrawals primarily relates to approval of additional funding to Queensland Health to fund the Translational Research Institute at the Princess Alexandra Hospital and realignment of scheduled payments to the Coordinator-General from 2010-11 to 2011-12 partly offset by equity injected through sale proceeds of Coomera land and Surat Basin Rail project during 2011-12.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

27. The Increase is due to realignment of scheduled equity payments to Coordinator-General and to Queensland Health to fund the Translational Research Institute at the Princess Alexandra Hospital from 2010-11 to 2011-12 and lower than expected capital works and higher income receipted from inventory land sales and interest from cash reserves during 2010-11.
28. The decrease is primarily due to lower than expected capital works expenditure on industrial land development and acquisition activities in 2009-10 and land development activities in 2010-11.
29. The increase relates to asset revaluations by the State Valuation Services in 2009-10.
30. The increase primarily relates to increase in the deposits held for sale of land and building.
31. The increase relates to the provision of taxation on the revaluation of non-inventory land.
32. The increase primarily relates to the transfer of the revaluation reserve and the retained surplus, due to the transfer of PSG from the former Department of Infrastructure and Planning under the MoG arrangements. In addition, realignment of scheduled payments to Coordinator-General and Queensland Health to fund the Translational Research Institute at the Princess Alexandra Hospital from 2010-11 to 2011-12, offset by reduction in expected retained taxation equivalents in 2010-11 also contributed to the variance.
33. The decrease reflects the transfer to contributed equity from the retained surplus due to PSG transferring from the former Department of Infrastructure and Planning under MoG arrangements. The deficit relates to the period of four months operations under the DEEDI from March to June 2010-11.
34. The decrease reflects the transfer between the asset revaluation reserve and contributed equity due to the transfer of PSG from the former Department of Infrastructure and Planning under MoG arrangements and the revaluation to reflect market increases by the State Valuation Services in 2010-11.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

35. The increase relates to expected decrease in capital expenditure on acquisition and development of industrial land, expected increase in inventory land sales and equity injected through Coomera land offset by realignment of equity payments for Translational Research Institute at the Princess Alexandra Hospital from 2010-11 to 2011-12.
36. The decrease is primarily due to lower level of expected capital works expenditure on industrial land development and land acquisition activities and increased cost of sales resulting from higher level of land sales during 2011-12.
37. The increase relates to revaluation by the State Valuation Services during 2009-10 and 2010-11 to reflect market movements.
38. The increase relates to an increase in the deposits held for sale of land and building.
39. The increase relate to the provision of taxation on the revaluation of non-inventory land.
40. The increase primarily relates to the transfer of the revaluation reserve and the retained surplus, due to the transfer of PSG from the former Department of Infrastructure and Planning under MoG arrangements, equity injections resulting from sales proceeds of Coomera land and higher level of retained taxation equivalents in 2011-12.
41. The decrease reflects the transfer to contributed equity from the retained surplus due to PSG transferring from the former Department of Infrastructure and Planning under MoG arrangements and expected deficit in 2010-11 and 2011-12.
42. The decrease reflects the transfer between the asset revaluation reserve and contributed equity due to the transfer of PSG from the former Department of Infrastructure and Planning under MoG arrangements and the increase in land values relating only to 2010-11 and 2011-12.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

43. The decrease is primarily due to equity payments to Queensland Health to fund the Translational Research Institute at the Princess Alexandra Hospital together with realignment of scheduled equity payments from 2010-11 to 2011-12 offset by reduction a capital works and grant payments and higher inventory land sales and equity injected from Coordinator-General relating to Coomera land and Surat Basin Rail Project during 2011-12.
44. The increase is primarily due to an expected increase in capital works expenditure on industrial land acquisition and land development activities during 2011-12.
45. The decrease is due to equity payments made to Queensland Health to fund Translational Research Institute development at the Princess Alexandra Hospital and realignment of scheduled equity payments to Coordinator-General from 2010-11 to 2011-12; partly offset by equity injected through sale proceeds of Coomera land and Surat Basin Rail project during 2011-12.
46. The increase primarily relates to the expected deficit during 2011-12 resulting from higher than expected grant and subsidy costs.
47. The increase is primarily due to anticipated increase in property values due to revaluation by the State Valuation Services during 2011-12.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

48. The increase primarily relates to increase in inventory land sales in 2010-11 and higher operating lease income resulting from increase in rental category percentage from 5% to 7% from 1 July 2010.
49. The increase relates to interest receipts from higher than expected cash balances in 2010-11 and increase in Interest rates on variable finance leases from July 2010.
50. The decrease reflects lower level of land acquisition costs and development costs incurred on industrial estates during 2010-11.
51. The increase relates to additional funding allocated for Gold Coast Parkland Redevelopment project, offset by realignment of project funding for the Surat Basin Railway land project from 2010-11 to 2011-12. Major projects approved by the Minister for Industrial Development of Queensland include Queensland Institute of Medical Research, Stanwell to Gladstone Infrastructure Corridor, Whitsunday Airport upgrade and funding to the Coordinator-General for land planning activities.
52. The decrease is due to realignment of a receipt from Coordinator-General in respect of Surat Basin Rail land project from 2010-11 to 2011-12.
53. The decrease is due to realignment of planned equity payments to Queensland Health to fund the Translational Research Institute at the Princess Alexandra Hospital project, Callide to Gladstone Infrastructure Corridor project, Targinie acquisitions and Narangba Hard Rock Haulage Road project from 2010-11 to 2011-12.
54. The increase is due to the realignment of scheduled grant payments to the Coordinator-General from 2009-10 to 2010-11 and lower than expected land acquisition costs and development costs incurred on industrial estates during 2009-10.
55. The increase is due to realignment of scheduled equity payments to Coordinator-General and to Queensland Health to fund the Translational Research Institute at the Princess Alexandra Hospital from 2010-11 to 2011-12 and lower than expected capital works higher income receipted from inventory land sales and interest from cash reserves during 2010-11.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

56. The increase primarily relates to expected increase in inventory land sales in 2011-12 and higher operating lease income resulting from increase in rental category percentage from 1 July 2010.
57. The increase relates to interest receipts from higher than expected cash balances in 2011-12 and increase in Interest rates on variable finance leases with effect from July 2010.
58. The decrease reflects lower level of land acquisition costs and development costs incurred on industrial estates in 2011-12.
59. The decrease primarily relates to varying approvals granted by the Minster of Industrial Development of Queensland and includes the completion of funding for Queensland Institute of Medical Research project and Stanwell to Gladstone Infrastructure Corridor project. This was partly offset by additional funding approved for Abbot Point Corridor project, Callide to Gladstone Infrastructure Corridor project, Townville Eastern Access Corridor project and funding project and land planning activities during 2011-12.
60. The increase is due to sales proceeds from Coomera land and higher level of retained tax equivalents in 2010-12.
61. The increase is due to realignment of planned equity payments to Queensland Health to fund the Translational Research Institute at the Princess Alexandra Hospital project from 2010-11 to 2011-12.
62. The increase relates to expected decrease in capital expenditure on acquisition and development of industrial land, expected increase in inventory land sales and equity injected through Coomera land offset by realignment of equity payments for Translational Research Institute at the Princess Alexandra Hospital from 2010-11 to 2011-12.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

63. The increase primarily relates to expected increase in inventory land sales in 2011-12 and higher operating lease income resulting from increase in rental category percentage from 1 July 2010.
64. The decrease reflects lower level of land acquisition costs and development costs incurred on industrial estates in 2011-12.
65. The decrease primarily relates to the varying approvals granted by the Minister for Industrial Development of Queensland, and includes the completion of funding for Queensland Institute of Medical Research project and Stanwell to Gladstone Infrastructure Corridor project together with the reduction in funding allocated for Whitsunday Airport upgrade project and for Gold Coast Parkland Redevelopment project during 2011-12. This was partly offset by additional funding approved for Abbot Point Corridor project, Callide to Gladstone Infrastructure Corridor project, Townville Eastern Access Corridor project, Surat Basin Railway and funding to the Coordinator-General for land planning activities during 2011-12.
66. The increase is due to sales proceeds from Coomera land, realignment of funding for Surat Basin Rail land project to 2011-12 and higher level of retained tax equivalents retained in 2011-12.
67. The increase relates to realignment of planned equity payments to Queensland Health to fund the Translational Research Institute at the Princess Alexandra Hospital project and realignment of planned equity payments to Callide to Gladstone Infrastructure corridor project, Targinie acquisitions and Narangba Hard Rock Haulage Road project from 2010-11 to 2011-12.
68. The decrease is due to scheduled grant payments to Coordinator-General and Queensland Institute of Medical Research in 2010-11.
69. The decrease is primarily due to equity payments to Queensland Health to fund the Translational Research Institute at the Princess Alexandra Hospital together with realignment of scheduled equity payments from 2010-11 to 2011-12. This was offset by reduction in capital works and grant payments, higher inventory land sales and equity injected from Coordinator-General during 2011-12.

Statutory Bodies

Australian Agricultural College Corporation

OVERVIEW

Throughout 2009, the Australian Agricultural College Corporation (AACC) consulted widely with industry and community in preparing a plan for its future entitled Reconnecting Agricultural Education. This plan commenced in April 2010 and will run through to 2012. It is based on three Core Priorities and three Enabling Priorities. Enabling Priorities support the Core Priorities which drive the business. Core priorities include: diversification of training products and services; creation of innovative training delivery methods; and building of partnerships with industry and other stakeholders to promote career pathways. Enabling priorities are: renewal of infrastructure; investment in the workforce; and establishment of strong and effective governance.

The plan represents a key component of the Fresh Approach initiative, implemented by DEEDI to build a $34 billion Agricultural Industry by 2020. AACC is focussed on skilling the agricultural, pastoral and agribusiness workforce for today and the future.

REVIEW OF PERFORMANCE

Recent achievements

- Assisted Queenslanders to gain qualifications in agriculture. This represents a second year trend of increases with a 24% increase on 2009-10 qualifications achieved.
- Delivered 104% of the targeted 350,000 average hours of contract for the Vocational Education and Training (VET) Revenue General Funding.
- Successful renewal of Registered Training Organisation status.
- Delivered chemical accreditation to about 600 canegrowers in the Mackay region in partnership with Mackay Canegrowers, BSES Limited (formerly Bureau of Sugar Experiment Stations) and AgriServ via a series of two-day workshops to assist industry to improve farm and chemical management.
- Restructured the organisation to focus on industry-based training and on responding to new business opportunities in the agribusiness sector.
- Continually improve links with DEEDI to deliver greater benefits to industry from this partnership.

Future developments

- Re-engage with industry through the establishment of Industry Advisory Groups.
- Revitalise the full-time residential training product through industry engagement.
- Grow the delivery of industry band training products and services.
- Build partnerships in training with the schools sector and specific groups – for example, Indigenous people.
- Deliver new models of training such as cadetships and enterprise training.
- Build online/e-learning opportunities for students/clients.

- Renew and reinvest in infrastructure across the organisation (as outlined in the document Reconnecting Agricultural Education).
- Significant investment in the development of AACC's workforce.
- Continue to strengthen and promote effective governance arrangements.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
	1	210	190.9	190

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

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/Est.
Service Standards				
Level of stakeholder satisfaction with VET training services and products	1			
• Quality Indicator (QI) Learners Survey		78%	78%	78%
• Quality Indicator (QI) Employer Survey		72%	72%	72%
Percentage of successfully completed competencies compared with all modules assessed	2	89%	90%	89%
Percentage of completed competencies delivered at or above Certificate IV level	3	13%	7%	13%
Percentage of students employed or in further study 6 months after completing their training	4	86%	95%	86%
Other measures				
Total number of VET students	5	New measure	N/A	4,200
Total competencies successfully completed	5	New measure	N/A	20,000
State contribution ($'000)		**19,218**	**16,492**	**15,492**
Other revenue ($'000)		**7,472**	**7,472**	**7,477**
Total cost ($'000)		**25,229**	**22,503**	**22,815**

Notes:
1. 2010-11 Estimated actual is preliminary consistent with the 2010-11 Target/estimate as Quality Indicator (QI) reports are due for completion by 30 June 2011.
2. Slight increase in the successful completion of units of competence at this point in the year has increased the estimate for 2010-11.
3. Increased delivery happening in schools and full-time students has not been matched by delivery at the higher levels, which has lowered the estimate for completions above Certificate IV.
4. Improved outcomes for students finishing training with AACC has resulted in this increase.
5. A service standard is considered a 'New measure' where the service standard is:
   - completely new (has no correlation to any of the 2010-11 measures); or
   - may be similar in wording to a 2010-11 measure but a 'material' change has occurred. Changes are considered to be 'material' where 2010-11 data will no longer be directly comparable to 2011-12 data. 'Material' changes may be the result of changes to reporting methodology or where the scope of the service standard has been expanded to cover additional business areas not previously contributing to the measure.

INCOME STATEMENT

Australian Agricultural College Corporation	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue		..	..	..
User charges		3,754	3,754	3,754
Grants and other contributions	1, 4, 8	19,218	16,492	15,492
Other revenue		3,718	3,718	3,723
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**26,690**	**23,964**	**22,969**
Expenses				
Employee expenses	2, 5, 9	14,422	14,722	12,186
Supplies and services	3, 6, 10	6,951	3,925	5,708
Grants and subsidies		..	..	..
Depreciation and amortisation	7, 11	2,018	2,018	3,083
Finance/borrowing costs		..	..	..
Other expenses		1,838	1,838	1,838
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**25,229**	**22,503**	**22,815**
OPERATING SURPLUS/(DEFICIT)		**1,461**	**1,461**	**154**

STATEMENT OF CHANGES IN EQUITY

Australian Agricultural College Corporation	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		108	108	(867)
Net amount of all revenue and expense adjustments direct to equity not disclosed above		315	315	..
Net income recognised directly in equity		**423**	**423**	**(867)**
Surplus/(deficit) for the period		1,461	1,461	154
Total recognised income and expense for the period		**1,884**	**1,884**	**(713)**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**1,884**	**1,884**	**(713)**

BALANCE SHEET

Australian Agricultural College Corporation	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	12, 23, 32	506	2,305	2,343
Receivables	13, 24, 33	1,062	1,571	1,241
Other financial assets	14, 25	5,000	5,120	3,635
Inventories		268	264	264
Other		127	118	114
Non-financial assets held for sale		..	..	..
Total current assets		**6,963**	**9,378**	**7,597**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets	15, 26	95	44	31
Property, plant and equipment	16, 27, 34	110,133	110,310	113,476
Intangibles		..	..	..
Other	17, 35	4,862	6,139	4,915
Total non-current assets		**115,090**	**116,493**	**118,422**
TOTAL ASSETS		**122,053**	**125,871**	**126,019**
CURRENT LIABILITIES				
Payables	18, 28, 36	498	1,381	1,617
Accrued employee benefits	19, 29, 37	816	1,505	1,605
Interest-bearing liabilities and derivatives	20, 30	160	..	..
Provisions		..	..	..
Other	21, 31	585	40	40
Total current liabilities		**2,059**	**2,926**	**3,262**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits	22, 29, 38	1,037	526	1,051
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**1,037**	**526**	**1,051**
TOTAL LIABILITIES		**3,096**	**3,452**	**4,313**
NET ASSETS/(LIABILITIES)		**118,957**	**122,419**	**121,706**
EQUITY				
Capital/contributed equity		..	..	..
Accumulated surplus/(accumulated deficit)		35,804	34,517	34,671
Reserves:				
- Asset revaluation surplus		83,153	87,902	87,035
- Other (specify)		..	..	..
TOTAL EQUITY		**118,957**	**122,419**	**121,706**

CASH FLOW STATEMENT

Australian Agricultural College Corporation	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts		..	..	..
User charges	44, 53	3,666	3,604	3,840
Grants and other contributions	39, 45, 54	19,020	16,587	15,492
Other		3,962	3,962	3,967
Outflows:				
Employee costs	40, 46, 55	(16,256)	(15,844)	(11,561)
Supplies and services	41, 47, 56	(8,654)	(7,131)	(8,332)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other	48,57	(2,560)	(1,998)	(1,853)
Net cash provided by/(used in) operating activities		**(822)**	**(820)**	**1,553**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment	42, 49, 58	3,957	1,384	..
Investments redeemed	50, 59	170	170	1,485
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	43, 51, 60	(3,167)	(594)	(3,000)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**960**	**960**	**(1,515)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions	52, 61	(289)	(291)	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**(289)**	**(291)**	**..**
Net increase/(decrease) in cash held		**(151)**	**(151)**	**38**
Cash at the beginning of financial year		**657**	**2,456**	**2,305**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**506**	**2,305**	**2,343**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
1. Decrease due to delays in capturing revenue for contract training.
2. Increase due to providing for staff wages transferred to Education Queensland wages.
3. Decrease due to projects being delayed due to natural disasters.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
4. Decrease due to delays in capturing revenue for contract training.
5. Decrease in wages due to organisational restructure in line with Reconnecting Agricultural Educations Strategy (RAE).
6. Decrease in supplies and services in alignment with changed investment program with Burdekin and Dalby Campuses.
7. Increase due to capital investments in alignment with RAE.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
8. Decrease due to no longer receiving the backlog maintenance grant.
9. Decrease in wages due to organisational restructure in line with RAE.
10. Increase in leasing arrangements in alignment with RAE.
11. Increase due to capital investments in alignment with RAE.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
12. Original budget included voluntary early redundancy's (VERs) where cash was provided for payouts however delays with organisational structure means this cash may roll over to 2011-12.
13. Increase with students using payment plans over the semester rather then paying fees upfront.
14. Increase due to a change in financial investors to capture higher interest rates.
15. Decrease in the valuation of sugar shares.
16. Increase due to delay in implementing the RAE.
17. Increase with biological assets due to higher sugar and livestock market valuations.
18. Increase in payables not previously budgeted – for example, payroll now contracted to Corporate Administration Agency (CAA), increase in accrued expenses via outstanding commitments
19. Increase in provisions due to delays with implementing VER's.
20. Decrease due to early payout of loans.
21. Decrease due to change in the standard for reciprocal grants no longer being treated as unearned revenue.
22. Decrease due to staff being encouraged to take leave in excess of two years accrual.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
23. Increase in cash due to delays with VERs..
24. Increase with students using payment plans over the semester rather then paying fees upfront
25. Decrease in investment offset by the increase in cash.
26. Decrease due to expected decline in share prices.
27. Increase in Property, Plant and Equipment (PPE) in alignment with RAE reinvestment strategies.
28. Increase in payables due to new leasing arrangements in alignment with RAE.
29. Increase due to previous budget under-compensated.
30. Decrease due to early payout of loans.
31. Decrease due to change in the accounting standard for reciprocal grants no longer being treated as unearned revenue.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
32. Decrease due to implementing debt management strategies.
33. Decrease due to payout of VERs in 2011-12.
34. Increase in PPE in alignment with reinvestment strategies.
35. Decrease in biological assets (sugar and livestock) due to a changed investment focus for Burdekin and Dalby Campuses.
36. Increase due to leasing arrangements in 2011-12.
37. Increase due to enterprise bargaining wage increase – for example, administration stream.
38. Increase due to transfer from current liabilities to non-current.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
39. Decrease due to delays in contract training.
40. Increase due to paying for wages to the end of June for staff transferred to EQ.
41. Decrease in supplies and services due to changed investment.
42. Decrease in sales of PPE due to delays with RAE implementation.
43. Decrease in PPE purchases due to delays with RAE implementation.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
44. Increase in user charges due to increase in training delivery.
45. Decrease in due to no longer receiving backlog maintenance grant and reduction in contract delivery.
46. Decrease in employee wages in alignment with new organisational structure.
47. Decrease in supplies and services due to changed investment strategies.
48. Decrease in biological assets due to changed investment program at Burdekin and Dalby Campuses.
49. Decrease PPE sales due to delays with implementation of RAE program.
50. Increase in maturity of term deposits to cater for VERs.

51. Decrease in PPE purchases due to delays with implementing RAE program.
52. Decrease due to payout of loans.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
53. Increase in user charges due to increased training delivery.
54. Decrease in grants contributed to no longer receiving backlog maintenance grant offset against increased delivery in contract training.
55. Decrease in wages due to implementation of organisation structure in alignment with RAE.
56. Increase in leasing arrangements as part of changed investment program.
57. Decrease in biological asset values due to changed investment strategy with Burdekin and Dalby Campuses.
58. Decrease in sales of PPE due to reinvestment in capital items in 2010-11 – For example, vehicles, ICT.
59. Increase due to maturity of term deposits to cater for payout of VERs.
60. Increase in capital purchases in alignment with investment strategies with RAE implementation.
61. Decrease for final payout of loans.

Energy and Water Ombudsman Queensland

OVERVIEW

The Energy Ombudsman Queensland (EOQ) was established in July 2007 by the Queensland Government as an independent external dispute resolution scheme, to receive, investigate and facilitate the resolution of disputes between small energy customers and energy entities in Queensland and, if necessary, to make final orders against energy entities.

From 1 January 2011, EOQ became the Energy and Water Ombudsman Queensland (EWOQ). In addition to its existing energy functions, it now receives, investigates and facilitates the resolution of disputes between small water customers and water entities in South East Queensland (SEQ).

EWOQ contributes to the Government's *Toward Q2: Tomorrow's Queensland* ambition of Fair – *Supporting safe and caring communities* by contributing to fair, equitable and accountable energy and water sectors within Queensland that protects individual rights and concerns through the provision of independent, free, accessible and effective dispute resolution services to meet the diverse needs of Queensland's small energy customers and small water customers in SEQ.

EWOQ also provides reports to jurisdictional regulators, scheme participants and the public on systemic issues arising from the complaints it receives, and on the performance of its energy and water scheme participants.

EWOQ is fully funded by an industry levy, imposed on electricity, gas and water distributors and retailers who service small energy and water customers.

As at 1 July 2010, EWOQ had a staff establishment of 35 full-time equivalent positions and it is anticipated that it will have 38 full-time equivalent positions as at 30 June 2011.

REVIEW OF PERFORMANCE

Recent achievements

- The expansion of EOQ's jurisdiction to include dispute resolution for water and wastewater required changes to occur throughout the organisation and organisational systems.
- In addition to ensuring the organisation and its systems were ready to undertake water and wastewater disputes, EOQ staff also continued to meet the day-to-day needs of the organisation.
- EWOQ closed 12,590 cases in the 2009-10 financial year. EWOQ anticipates it will deal with over 13,000 cases from Queensland's energy and water customers.
- Providing best practice dispute resolution processes to assist the resolution in complaints between small electricity, gas and water customers and their energy and water suppliers.
- Maintaining and developing ongoing relationships with key energy and water sector participants and other stakeholders through regular presentations and updates on services.
- Raising awareness of the services offered to energy and water customers across Queensland through various marketing, engagement and media activities.
- Investigating, reporting and providing feedback to the Government and industry participants on systemic customer issues.

- Referring matters to jurisdictional regulators for action under their legislative powers.
- Implementing improved corporate and operational systems and processes resulting from the independent review undertaken of EWOQ to support and further enhance their day-to-day operations.

Future developments

In 2011-12, the Energy and Water Ombudsman will focus on the following key priorities:

- achieving best practice, fairness and confidence in the resolution of disputes between Queensland's small electricity and reticulated gas customers and energy suppliers and SEQ's small water customers and water suppliers
- raising awareness and proactively promoting EWOQ services to energy customers across Queensland and water customers in SEQ
- maintaining and further developing relationships between EWOQ and key stakeholders
- investigating, reporting and providing feedback on systemic energy and water customer issues.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
	2,3	35	38	41

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. The increase in the 2010-11 Estimated actual FTE's over the 2010-11 Budget relates to the additional jurisdictional responsibility for water and wastewater disputes for South East Queensland.
3. The increase in the 2011-12 Estimate FTE's over the 2010-11 Estimated actual FTE's is primarily due to additional investigation staff to manage anticipated growth in complaint numbers associated with the additional jurisdictional responsibility for water and wastewater disputes for South East Queensland.

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Standards				
Percentage of customers who rate the performance of the Energy and Water Ombudsman Queensland as satisfactory or better	1	…	…	80%
Other measures				
Percentage of complaints received which are completed by the Energy and Water Ombudsman Queensland		95%	95%	95%
Energy and water consumer complaints resolved within agreed standards		90%	90%	90%
State contribution ($000)		**..**	**..**	**..**
Other revenue ($000)		**4,943**	**5,643**	**6,092**
Total cost ($000)		**4,943**	**5,643**	**6,092**

Note:
1. EWOQ conducts Customer Satisfaction Surveys on a biennial basis.

INCOME STATEMENT

Energy and Water Ombudsman Queensland	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue		..	..	..
User charges	1,5,9	4,943	5,643	6,092
Grants and other contributions		..	..	..
Other revenue	2,6,10	..	70	..
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**4,943**	**5,713**	**6,092**
Expenses				
Employee expenses	1,5,9	3,712	3,829	4,527
Supplies and services	1,5,11	1,154	1,767	1,530
Grants and subsidies		..	..	..
Depreciation and amortisation	3,7,12	30	10	3
Finance/borrowing costs		..	..	..
Other expenses	4,8	47	37	32
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**4,943**	**5,643**	**6,092**
OPERATING SURPLUS/(DEFICIT)		**..**	**70**	**..**

STATEMENT OF CHANGES IN EQUITY

Energy and Water Ombudsman Queensland	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		..	70	..
Total recognised income and expense for the period		**..**	**..**	**..**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**..**	**..**	**..**

BALANCE SHEET

Energy and Water Ombudsman Queensland	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets		442	438	438
Receivables		20	24	22
Other financial assets		..	..	..
Inventories		..	..	..
Other		..	..	..
Non-financial assets held for sale		..	..	..
Total current assets		**462**	**462**	**460**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	13,15,17	..	13	..
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**..**	**13**	**..**
TOTAL ASSETS		**462**	**475**	**460**
CURRENT LIABILITIES				
Payables		50	45	55
Accrued employee benefits	14,16,18	272	230	265
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**322**	**275**	**320**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits	14,16,18	61	51	61
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**61**	**51**	**61**
TOTAL LIABILITIES		**383**	**326**	**381**
NET ASSETS/(LIABILITIES)		**79**	**149**	**79**
EQUITY				
Capital/contributed equity		79	79	79
Accumulated surplus/(accumulated deficit)		..	70	..
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**79**	**149**	**79**

CASH FLOW STATEMENT

Energy and Water Ombudsman Queensland	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts		..	..	..
User charges	19,23,27	4,948	5,619	6,094
Grants and other contributions		..	..	..
Other	20,24,28	3	70	20
Outflows:				
Employee costs	21,25,29	3,777	3,829	4,572
Supplies and services	22,26,30	1,094	1,812	1,510
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		47	37	32
Net cash provided by/(used in) operating activities		**33**	**11**	**..**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(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/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**33**	**11**	**..**
Cash at the beginning of financial year		**409**	**427**	**438**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**442**	**438**	**438**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
1. Increase relates to projects associated with the implementation of additional jurisdictional responsibility for water and wastewater disputes in South East Queensland.
2. Income relates to penalty fees and interest not included in user pays calculations resulting in an operating surplus.
3. A review of assets and depreciation during 2010-11 resulted in reduced expenditure.
4. Under expenditure in Advisory Council operating costs.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
5. Increase relates to the additional jurisdictional responsibility for water and wastewater disputes in South East Queensland.
6. Unable to include future penalty fees due to the unpredictable nature of these fees.
7. A review of assets and depreciation during 2010 -11 has resulted in reduced forecast for 2011-12.
8. Reduced budget associated with a reduction in Audit Fees.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
9. Increase relates to the additional jurisdictional responsibility for water and wastewater disputes in South East Queensland.
10. Unable to include future penalty fees due to the unpredictable nature of these fees.
11. Project costs associated with the implementation of additional jurisdictional responsibilities not required in 2011-12.
12. A review of assets and depreciation during 2010 -11 has resulted in reduced forecast for 2011-12

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
13. A review of assets and depreciation during 2010-11 resulted in reduced balances.
14. Variation relates to a combination of the retirement of the Energy and Water Ombudsman and changes in staffing resulting in lower than estimated liabilities.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
15. A review of assets and depreciation during 2010-11 resulted in reduced balances.
16. Variation relates to a combination of the retirement of the Energy and Water Ombudsman and changes in staffing.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
17. A review of assets and depreciation during 2010-11 resulted in reduced balances.
18. Variation relates to changes in staffing associated with the implementation of additional jurisdictional responsibility for water and wastewater disputes in South East Queensland.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
19. Increase in user charges due to increased costs associated with the additional jurisdictional responsibility for water and wastewater disputes in South East Queensland.
20. Penalty fees and bank interest not included in calculations.
21. Increase relates to new positions required with the additional jurisdictional responsibility for water and wastewater disputes in South East Queensland.
22. Increase relates to project and additional costs associated with the additional jurisdictional responsibility for water and wastewater disputes in South East Queensland.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
23. Increase in user charges due to increased costs associated with the additional jurisdictional responsibility for water and wastewater disputes in South East Queensland.
24. Penalty fees and bank interest unpredictable and difficult to estimate.
25. Increase relates to new positions required with the additional jurisdictional responsibility for water and wastewater disputes in South East Queensland.
26. Increase relates to additional costs associated with the additional jurisdictional responsibility for water and wastewater disputes in South East Queensland.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
27. Increase in user charges due to increased costs associated with the additional jurisdictional responsibility for water and wastewater disputes in South East Queensland.
28. Penalty fees and bank interest unpredictable and difficult to estimate.
29. Increase relates to new positions required with the additional jurisdictional responsibility for water and wastewater disputes in South East Queensland.
30. Increase relates to project costs associated with the implementation of additional jurisdictional responsibility for water and wastewater disputes in South East Queensland no longer required.

QRAA

OVERVIEW

QRAA's role is to provide financial administrative services on behalf of the Australian, State and Territory governments throughout Australia in accordance with the *Rural and Regional Adjustment Act 1994*. Through the administration of loans, grants, rebates and subsidies, QRAA contributes to a more productive and sustainable rural and regional sector in Australia and other sectors of the Queensland economy.

In 2011-12 QRAA will be contributing to the Queensland Government's *Toward Q2: Tomorrow's Queensland* ambitions of Strong: *Creating a diverse economy powered by bright ideas* and Green: *Protecting our lifestyle and environment* through the implementation of QRAA's strategic priorities - cost leadership, business growth, service delivery excellence, and capability. In accordance with the Act, this direction will seek to stimulate demand for QRAA's services in both intrastate and interstate markets as well as encouraging growth to strengthen the core rural and regional Queensland sector.

QRAA is administering the Natural Disaster Relief and Recovery Arrangement (NDRRA) measures on behalf of the Queensland and Australian Governments. The effects of widespread flooding and Tropical Cyclone Yasi will continue to drive unprecedented levels of activity in the administration of (NDRRA) assistance to primary producers, small businesses and non-profit sectors.

REVIEW OF PERFORMANCE

Recent achievements

- QRAA secured and commenced administering the following:
  - Queensland Government Solar Hot Water Rebate Scheme;
  - Natural Disaster Assistance Scheme (Grant and Loan Package for Non-Profit Organisations – Queensland Floods (November 2010 – January 2011) and Tropical Cyclone Yasi);
  - Special Disaster Assistance Scheme (Grant for Small Business, Primary Producers and Non-Profit Organisations – Queensland Floods (November 2010 – January 2011) and Tropical Cyclone Yasi); and
  - Exceptional Disaster Assistance Scheme (Loan and Grant Package for Primary Producers, Businesses and Non-Profit organisations – Queensland Floods (November 2010 – January 2011) and Tropical Cyclone Yasi).
- The approval of 25,000 applications (estimated gross as at 16 May 2011) from primary producers, businesses and non-profit organisations for financial assistance in 2010-11. This compares with 2,510 applications approved in 2009-10, a ten fold increase in applications approved.
- Approval of State and Australian Government funding of $204 million (estimated gross as at 16 May 2011) in financial assistance to Queensland primary producers, businesses and non-profit organisations in 2010-11. This compares with gross approvals of $108.49 million in 2009-10. Approval of $138 million (estimated gross as at 16 May 2011) in disaster related assistance to primary producers, businesses and non-profit organisations in 2010-11. This compares with gross approvals of $14.4 million in 2009-10.

- QRAA administered an unprecedented number of Natural Disaster Relief and Recovery Arrangement (NDRRA) measures on behalf of the Queensland and Australian Governments. In response to widespread flooding in Queensland between October 2010 and January 2011, QRAA:
  - administered grants to primary producers, small businesses and non profit organisations; and
  - provided loans to primary producers, small businesses, and non profit organisations.
- In response to Tropical Cyclone Yasi QRAA administered special disaster assistance grants and provided loans to primary producers, small businesses and non-profit organisations.
- Additionally, support was provided by QRAA client liaison officers who proactively engaged with potential applicants by establishing temporary offices, participating in industry/regional forums, coordinating one-on-one appointments and responding to up to 400 enquiries per day.

Future developments

- The magnitude of the flooding and cyclone disaster events in 2010-11 will continue to drive high levels of activity in the administration of concessional loans and grants in 2011-12, particularly in the first two quarters.
- QRAA will promote and manage the refreshed Primary Industry Productivity Enhancement Scheme to increase demand for concessional loans.
- During 2010-11 a planned marketing campaign for productivity loans was impacted as a result of the disaster events. This campaign has been rescheduled and will promote the recently improved Sustainability and First Start productivity loans and grow QRAA's productivity loan portfolio.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
	2	70.9	120.0	96.6

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. The 2010-11 Budget estimate followed a Commonwealth Government revision and significant reduction in Exceptional Circumstances declared areas in Queensland. QRAA's workforce was projected to reduce in alignment to these changing demands. However during the 2010-2011 financial year, Queensland was devastated by the natural disasters of the Queensland Floods and Tropical Cyclone Yasi which necessitated an increase in staffing numbers rather than the projected decline. QRAA has utilised contingent of temporary and casual staff as a means of aligning its workforce to changing demands.

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Standards				
Arrears to loan portfolio	1	3%	1.2%	3%
Client satisfaction with QRAA's services	2	80%	86.2%	80%
Program owner satisfaction with QRAA's administration	3	75%	90%	75%
Awareness of QRAA in Queensland	4	80%	82.7%	80%
Other measures				
Applications processed within standard response Indicators	5	85%	80%	85%
Growth of productivity loan portfolio	6	7%	4%	7%
New programs administered	7	3	7	3
State contribution ($000)		**9,535**	**151,092**	**169,720**
Other revenue ($000)		**26,599**	**33,072**	**28,044**
Total cost ($000)		**20,774**	**168,560**	**172,819**

Notes:
1. The 2010-11 Estimated actual result reflects the quality of the Loan portfolio and is successfully managed with thorough processes in place to minimise arrears.
2. Independent survey undertaken every two years provided an increased 2010-11 Estimated actual result.
3. First time survey process has been undertaken during 2010-11 and benchmark is adequate in the current environment.
4. Independent survey undertaken every two years provided an increased 2010-11 Estimated actual result.
5. QRAA performance for 2010-11 in relation to this measure has been impacted by the unprecedented volumes of natural disaster applications due to severe and wide spread flooding that commenced in November 2010 and Tropical Cyclone Yasi in February 2011. QRAA has received applications at a rate of approximately seven times that of the January 2008 flooding event which was the previous disaster event with the highest rate of applications received. QRAA responded to this exceptional situation by increasing staff numbers and leasing, fitting-out and equipping additional office space.
6. While the Productivity Loan portfolio has seen steady growth, the 2010-11 Target/estimate of 7% is not expected to be achieved (as at 16 May 2011). This outcome was largely due to the impact of the Queensland floods and Tropical Cyclone Yasi and the large number of primary producers throughout the State required to focus on clean up and recovery activities. Also as a result of the Queensland floods and Tropical Cyclone Yasi, QRAA postponed a major marketing campaign that was scheduled to run between February and June 2011. The objective of this campaign was to promote the new Sustainability and First Start productivity loans being offered by QRAA.
7. Increase in number of programs administered in 2010-11 is due to the number of assistance programs offered as a result of the unexpected weather events in 2010-11.

INCOME STATEMENT

QRAA	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue		..	..	..
User charges		..	..	..
Grants and other contributions	1	17,448	162,792	169,720
Other revenue	2	18,686	21,372	28,044
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**36,134**	**184,164**	**197,764**
Expenses				
Employee expenses	3	7,105	9,983	11,186
Supplies and services		2,866	2,860	3,168
Grants and subsidies	4	8,500	153,370	155,650
Depreciation and amortisation		420	355	423
Finance/borrowing costs		1,883	1,787	2,642
Other expenses	5	..	205	(250)
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**20,774**	**168,560**	**172,819**
OPERATING SURPLUS/(DEFICIT)	6	**15,360**	**15,604**	**24,945**

STATEMENT OF CHANGES IN EQUITY

QRAA	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		15,360	15,604	24,945
Total recognised income and expense for the period		**15,360**	**15,604**	**24,945**
Equity injection/(withdrawal)	7	..	137,652	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**15,360**	**153,256**	**24,945**

BALANCE SHEET

QRAA	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	8	73,697	94,254	74,673
Receivables	9	34,181	37,153	71,130
Other financial assets		..	..	..
Inventories		..	..	..
Other		120	121	121
Non-financial assets held for sale		..	..	..
Total current assets		**107,998**	**131,528**	**145,924**
NON-CURRENT ASSETS				
Receivables	9	283,332	317,729	639,846
Other financial assets		..	..	..
Property, plant and equipment		918	1,004	1,081
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**284,250**	**318,733**	**640,927**
TOTAL ASSETS		**392,248**	**450,261**	**786,851**
CURRENT LIABILITIES				
Payables		536	584	747
Accrued employee benefits	10	1,500	768	768
Interest-bearing liabilities and derivatives		15,286	16,318	15,622
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**17,322**	**17,670**	**17,137**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		399	400	400
Interest-bearing liabilities and derivatives	9,11	217,450	128,232	440,410
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**217,849**	**128,632**	**440,810**
TOTAL LIABILITIES		**235,171**	**146,302**	**457,947**
NET ASSETS/(LIABILITIES)		**157,077**	**303,959**	**328,904**
EQUITY				
Capital/contributed equity		(53,000)	84,652	84,652
Accumulated surplus/(accumulated deficit)	7	210,077	219,307	244,252
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**157,077**	**303,959**	**328,904**

CASH FLOW STATEMENT

QRAA	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts		..	..	..
User charges		..	..	..
Grants and other contributions	1	17,448	162,821	169,720
Other	2	16,102	21,289	27,880
Outflows:				
Employee costs	3	(7,106)	(9,889)	(11,222)
Supplies and services		(2,866)	(2,900)	(2,969)
Grants and subsidies	4	(8,500)	(153,370)	(155,650)
Borrowing costs		(1,883)	(1,787)	(2,642)
Other		..	..	..
Net cash provided by/(used in) operating activities		**13,195**	**16,164**	**25,117**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed	9	36,913	33,657	33,120
Outflows:				
Payments for property, plant and equipment and intangibles		(500)	(500)	(500)
Payments for investments		..	..	..
Loans and advances made	9	(65,000)	(101,700)	(388,800)
Net cash provided by/(used in) investing activities		**(28,587)**	**(68,543)**	**(356,180)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings	9,12	12,000	61,200	327,800
Equity injections		..	137,652	..
Outflows:				
Borrowing redemptions	9,13	(15,851)	(153,891)	(16,318)
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**(3,851)**	**44,961**	**311,482**
Net increase/(decrease) in cash held		**(19,243)**	**(7,418)**	**(19,581)**
Cash at the beginning of financial year		**92,940**	**101,672**	**94,254**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**73,697**	**94,254**	**74,673**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income Statement

1. QRAA receives contributions from the Australian and Queensland Governments to fund various grant programs it administers, based on agreements between QRAA and the program owners.

   All funds which are allocated to QRAA by the Governments for grant purposes and controlled by QRAA, are recognised as revenues in the year in which QRAA gains control of the funds and this is generally upon receipt of funds. QRAA recognises revenue upon receipt as required under Australian Accounting Standard AASB 1004.

Table 1.1 Grants and other contributions	Notes	2010-11 Budget $'000	2010-11 Est. Act. $'000	2011-12 Estimate $'000
Grants and contributions from State Government				
QRAA Administration		8,685	8,685	8,887
NDRRA – Special Disaster Flood Assistance Schemes (SDFAS)	i	..	129,367	158,533
RAS Exceptional Circumstances	ii	850	1,195	..
Qld Government Solar Hot Water Rebate Scheme	iii	..	10,518	1,650
Traveston Crossing and Wyaralong Dams Business Adjustment Scheme		..	273	..
Vegetation Management Framework Assistance Package	iv	..	1,017	..
Other state schemes		..	37	650
Total received from State Government		**9,535**	**151,092**	**169,720**
Grants and other contributions from Australian Government				
RAS Exceptional Circumstances	ii	7,650	11,700	..
Total received from Australian Government		**7,650**	**11,700**	**..**
Total Grants and contributions		**17,185**	**162,792**	**169,720**

Notes:

i. SDFAS for November 2010-January 2011 was a new Scheme announced in early 2011 as a result of the Nov 2010 to Jan 2011 Queensland floods and Tropical Cyclone Yasi. This is not included in the 2010-11 Budget.
ii. Funding provided for RAS Exceptional Circumstances is based on demand.
iii. The Queensland Government Solar Hot Water Rebate Scheme was a new Scheme announced in the 2010-11 financial year and not included in the 2010-11 Budget.
iv. Vegetation Management Framework Assistance Package Scheme was completed in 2009-2010. Funding was provided to pay the Scheme's remaining applications.

2. Other revenue refers to interest earned on loans made to rural producers and small businesses and interest earned on unutilised funds.
3. The increase in the 2010-11 Est. actual and 2011-12 Estimate is due to additional staff recruited as a result of the Queensland floods and Tropical Cyclone Yasi.
4. Grants and subsidies expenses are detailed in Table 1.2. Explanations with regard to variances should be read in conjunction with Table 1.1 and its notes.

v. Great Barrier Reef Marine Park Structural Adjustment Package Scheme payments for 2010-11 were carried over from 2008-09.

Table 1.2 Grants and subsidies	Notes	2009-10 Budget $'000	2009-10 Est. Act. $'000	2010-11 Estimate $'000
Great Barrier Reef Marine Park Structural Adjustment Package	v	..	4,397	..
NDRRA – Special Disaster Flood Assistance Schemes	i	..	126,633	155,650
RAS Exceptional Circumstances	ii	8,500	14,291	..
Qld Government Solar Hot Water Rebate Scheme	iii	..	6,662	..
Small Business Emergency Assistance		..	2	..
Traveston Crossing Dam and Wyaralong Dam Business Adjustment Scheme		..	285	..
Vegetation Management Framework Assistance Package		..	1,100	..
Total grants and subsidies		**8,500**	**153,370**	**155,650**

5. These figures reflect net movement in doubtful debt provisions for the respective financial periods.

6. Significant increase in operating surplus in 2011-12 Estimate is due to the increase in interest earned on QRAA's loan portfolio as a result of increased client demand on NDRRA and Primary Industry Productivity Enhancement Scheme (PIPES).

Statement of Changes in Equity

7. Loans to Queensland Treasury and DEEDI of $49.4 million and $88.2 million respectively converted to equity.

Balance Sheet

7. Refer to previous note.
8. An increase in cash holdings in 2010-11 Estimated actual reflects client loan repayments and reduction in PIPES lending which is funded internally. A significant increase in lending is due to the recent NDRRA schemes and is reimbursed back to QRAA by Queensland Treasury.
9. Significant increase in client loan portfolio in the 2010-11 Est. actual and 2011-12 Estimate is due to increased lending as a result of the Queensland floods and Tropical Cyclone Yasi.
10. Amounts reflect net movement in Balance Sheet provisions.
11. $217.4 million in 2010-11 Budget includes $137.4 million in loans. These loans have been re-classified to Equity and therefore reflect a decrease to $128.2 million in 2010-11 Estimates.

Cash Flow Statement

2. Refer to previous note.
3. Refer to previous note.
4. Refer to previous note.
5. Refer to previous note.
9. Refer to previous note.
12. $61.2 million reflects increase in NDRRA borrowings to finance client loans following recent disaster events and links to Note 9; likewise, the increase to $327.8 million is the expected NDRRA borrowings and links to Note 9.
13. The $153.9 million in 2010-11 reflects the movement and includes the $137.7 million reclassification of the loans to equity and this is referred to in Note 7, in the explanation of Variance.

Tourism Queensland

OVERVIEW

Tourism Queensland contributes to the Queensland Government's *Toward Q2: Tomorrow's Queensland* ambition of Strong: *Creating a diverse economy powered by bright ideas*. It maintains a network of international offices and works closely with Queensland's regional tourism organisations, government agencies, industry and the community to:

- provide industry leadership to ensure the ongoing development of a strong and sustainable tourism industry in Queensland
- deliver effective tourism marketing to grow leisure visitation, length of stay and expenditure in all of the State's destinations particularly for the benefit of Queensland's economy and job creation
- further develop tourism destinations by identifying new and enhanced tourism experiences and products as well as through increased presence in each tourism zone.

In 2010-11 Tourism Queensland had an estimated 158 full-time equivalent staff.

REVIEW OF PERFORMANCE

Recent achievements

- Implemented year two of the Tourism Action Plan to 2012, in partnership with the DEEDI. Tourism Queensland's actions within this Plan are resourced by Tourism Queensland's total budget, which includes year two of the $36 million allocated to Tourism Queensland under the Protecting Tourism Jobs election commitment. Activity focused on:
  - launching Queensland and regional brand identities;
  - branded intrastate and interstate marketing activity with industry partners;
  - international marketing executed in line with Tourism Queensland's market prioritisation strategy;
  - developing and promoting specific events to increase tourism visitation and awareness of events in Queensland; and
  - the delivery of a suite of development activity with a specific focus on business sustainability and attraction.
- Delivered activity under the Nothing Beats Queensland recovery strategy in partnership with DEEDI and the Australian Government. This strategy encompasses the $12 million Tourism Industry Support Package. Activity included:
  - extensive domestic marketing activity, retail campaign activity, a global publicity blitz and youth campaign and targeted international marketing activity; and
  - business assistance, industry recovery forums and trade and consumer engagement activity.

Future developments

- Implement year three of the Tourism Action Plan to 2012, in partnership with DEEDI. Tourism Queensland's actions within this plan are resourced by Tourism Queensland's total budget which includes the final year of the $36 million allocated to Tourism Queensland under the Protecting Tourism Jobs election commitment. Activity will focus on:
  - continuing to deliver branded intrastate and interstate marketing activity in partnership with industry partners to encourage Australians to holiday at home. This activity builds on the $12 million Tourism Industry Support Package;
  - international marketing activity delivered in line with Tourism Queensland's market prioritisation strategy with a focus on fewer activities but a bigger impact;
  - developing and marketing specific events to increase tourism visitation and awareness of events in Queensland; and
  - providing industry development and leadership through targeted industry and stakeholder engagement, tourism specific business assistance activities, further developing Queensland's competitive advantage and ensuring Queensland is considered in the national tourism policy agenda.
- Tourism Queensland will work with DEEDI to deliver a new $1 million program designed to enhance the capability of tourism operators in a rapidly changing global market, extending the $12 million Tourism Industry Support Package. The program will be focused on the technology and business skills needed by operators, including helping operators to capture more business on-line, and working one-on-one with individual operators to benchmark their businesses against world's best practice. This program will be in addition to, and build on, existing Tourism Queensland and DEEDI programs to assist tourism businesses.

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
		158	158	158

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

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Standards				
Advertising Value Equivalent of Tourism Queensland's Global publicity activity	1,2,6	New measure	New measure	$177.7 million
Value of cooperative investment in marketing campaigns	1,2,6,7	$7 million	$12.7 million	$7 million
Number of unique visitors to Tourism Queensland's websites	1,2,3,6	6.8 million	6.6 million	6.5 million
Number of total records listed in the Australian Tourism Data Warehouse (ATDW)	1,4,6	New measure	New measure	5,400
Industry satisfaction with Tourism Queensland development programs	1,5,6	New measure	New measure	65%
State contribution ($000)		**55,100**	**61,025**	**55,583**
Other revenue ($000)		**8,600**	**14,754**	**8,520**
Total cost ($000)		**63,700**	**81,116**	**64,103**

Notes:
1. The 2011-12 Service Standards and associated Target/estimate for each measure has been developed in line with the 'Tourism Queensland Performance Management Framework' which was approved by the Tourism Queensland Board in July 2010. The framework was developed to measure the effectiveness of activities carried out by Tourism Queensland. The targets identified align with the approved measures and illustrate successful outcomes for 2011-12.
2. Tourism Queensland's primary responsibility, as outlined in the *Tourism Queensland Act 1979* is to facilitate the promotion, marketing and development of tourism to and within Queensland. Approved measures of successful marketing and promotion activity include (but are not limited to) cooperative funding, Public Relations media value and website visits.
3. The 2011-12 Target/estimate for website visitors is expected to be lower than 2010-11 due to the increasing trend to use campaign partner websites as the call to action (e.g. Flight Centre).
4. The Australian Tourism Data Warehouse (ATDW) is a national tourism database that feeds information on tourism products and destination information. The ATDW was formed in 2001 and is a joint initiative of the Government State Tourism Organisations from all Australian States and Territories and Tourism Australia. Tourism Queensland manages the annual ATDW subscriptions and updates for all Queensland tourism products on behalf of the ATDW. Of the 5,400 targeted for 2011-12, it is anticipated that 2,250 will be full record (paid subscriptions).
5. The 'Tourism Queensland Performance Management Framework' approved measure for development activity is 'Feedback from Industry participating in activities'. Tourism Queensland runs a variety of development programs and workshops across Queensland. Success will be measured by survey feedback.
6. The measures presented in the Performance Statement have been approved by the Tourism Queensland board.
7. The 2010-11 Estimated actual for the Value of cooperative investment in marketing campaigns includes $2.9 million from a marketing partnership with Tourism Australia.

INCOME STATEMENT

Tourism Queensland	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
User charges	1,8	7,080	12,664	7,000
Grants and other contributions	2,9	55,100	61,025	55,583
Other revenue		1,520	2,090	1,520
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**63,700**	**75,779**	**64,103**
Expenses				
Employee expenses	3,6,10	17,119	16,710	17,400
Supplies and services	4,11	40,309	58,987	41,263
Grants and subsidies		4,110	4,110	4,110
Depreciation and amortisation		1,148	1,074	1,100
Finance/borrowing costs		..	..	..
Other expenses	5,7	1,014	235	230
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**63,700**	**81,116**	**64,103**
OPERATING SURPLUS/(DEFICIT)	4	**..**	**(5,337)**	**..**

STATEMENT OF CHANGES IN EQUITY

Tourism Queensland	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve			..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		..	(5,337)	..
Total recognised income and expense for the period		**..**	**..**	**..**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**..**	**(5,337)**	**..**

BALANCE SHEET

Tourism Queensland	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	12,13	6,308	5,622	5,205
Receivables	12,13	2,483	2,599	2,597
Other financial assets		..	..	..
Inventories		..	..	..
Other	12,13	75	346	349
Non-financial assets held for sale		..	..	..
Total current assets		**8,866**	**8,567**	**8,151**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		107	107	107
Property, plant and equipment	12,13	1,522	1,924	1,907
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**1,629**	**2,031**	**2,014**
TOTAL ASSETS		**10,495**	**10,598**	**10,165**
CURRENT LIABILITIES				
Payables		5,020	5,095	5,056
Accrued employee benefits		3,933	4,198	4,042
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	14,15	248	248	40
Total current liabilities		**9,201**	**9,541**	**9,138**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		346	432	442
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		82	82	42
Total non-current liabilities		**428**	**514**	**484**
TOTAL LIABILITIES		**9,629**	**10,055**	**9,622**
NET ASSETS/(LIABILITIES)		**866**	**543**	**543**
EQUITY				
Capital/contributed equity		..	..	..
Accumulated surplus/(accumulated deficit)		866	543	543
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**866**	**543**	**543**

CASH FLOW STATEMENT

Tourism Queensland	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts		..	..	..
User charges	16,23	7,092	12,567	7,012
Grants and other contributions	17,24	55,100	61,025	55,583
Other		1,510	2,080	1,510
Outflows:				
Employee costs	18,21,25	(16,473)	(16,164)	(16,854)
Supplies and services	19,26	(42,014)	(59,951)	(42,445)
Grants and subsidies		(4,110)	(4,110)	(4,110)
Borrowing costs		..	..	..
Other	20,22	(1,222)	(443)	(230)
Net cash provided by/(used in) operating activities		**(117)**	**(4,996)**	**466**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		(183)	(570)	(883)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(183)**	**(570)**	**(883)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**(300)**	**(5,566)**	**(417)**
Cash at the beginning of financial year		**6,608**	**11,188**	**5,622**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**6,308**	**5,622**	**5,205**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. The increase in user charges includes $2.9 million from a marketing partnership with Tourism Australia and an increase in industry participation.
2. The increase in grants and other contributions is due to additional funding of $5.9 million for disaster recovery.
3. The decrease in employee expenses is due to some positions left vacant for extended periods.
4. The increase in supplies and services is in line with increased revenue and a deficit of $5.3 million which is the result of the spending of grants received in previous financial years.
5. The decrease in other expenses is due to regulatory fees now classified as supplies and services.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

6. The increase in employee expenses is in line with expected FTE and Enterprise Bargaining agreement.
7. The decrease in other expenses is due to regulatory fees now classified as supplies and services.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

8. The decrease in user charges is a return to normal demand for TQ services.
9. The decrease in grants and other contributions is due to one-off funding.
10. The increase in employee expenses is in line with expected FTE and EB agreement.
11. The decrease in supplies and services is in line with decreased revenue.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

12. The decrease in cash is due to the increase in receivables, other and PPE.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

13. The decrease in cash is due to the increase in receivables, other and PPE.
14. The decrease in other current liabilities is due to end of a lease.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

15. The decrease in other current liabilities is due to end of a lease.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

16. The increase in user charges includes $2.9 million from a marketing partnership with Tourism Australia and an increase in industry participation.
17. The increase in grants and other contributions is due to additional funding of $5.9 million for disaster recovery.
18. The decrease in employee costs is due to some positions left vacant for extended periods.
19. The increase in supplies and services is in line with increased revenue and a deficit of $5.3 million which is the result of the spending of grants received in previous financial years.
20. The decrease in other is due to regulatory fees now classified as supplies and services.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

21. The increase in employee costs is in line with expected FTE and EB agreement.
22. The decrease in other is due to regulatory fees now classified as supplies and services.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

23. The decrease in user charges is a return to normal demand for TQ services.
24. The decrease in grants and other contributions is due to one-off funding being received in 2010-11 for flood recovery.
25. The increase in employee costs is in line with expected FTE and EB agreement.
26. The decrease in supplies and services reflects the costs associated with 2011-12 service delivery.

PART 9

Department of Local Government and Planning

Summary of departmental portfolio budgets

Page	Agency	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
2-85	Local Government and Planning - controlled	647,071	761,239	673,556
	Local Government and Planning - administered	451,040	313,437	416,547
2-109	Urban Land Development Authority	70,445	54,237	147,097

Note:
1. Explanations are provided in the financial statements.

DEPARTMENTAL OVERVIEW

MINISTERIAL RESPONSBILITY

The Department of Local Government and Planning (the department) delivers two services – Local Government and Planning. These services reside in the portfolio of the Deputy Premier and Attorney-General, Minister for Local Government and Special Minister of State.

STRATEGIC ISSUES

The department is leading a coordinated approach to growth management planning through Growth Management Queensland (GMQ) and supports local government sustainability and resilience through the Office of Local Government. The department seeks to have positive impacts in the areas of: growth management; housing availability and affordability; community development; local government development; environmental resilience; quality urban outcomes; infrastructure optimisation and investment certainty.

During 2011-12 the department, through the delivery of its strategic objectives and core business, will continue to exercise its lead responsibility under the Government's *Toward Q2: Tomorrow's Queensland* target to "protect 50 per cent more land for nature conservation and public recreation". It will also partner with other agencies and the community to deliver on Q2 ambitions of:

- Green – by providing guidelines for planners, designers and developers that focus on ClimateSmart planning for new urban and suburban communities; model codes for Sustainable Transport Communities and for Clean Energy Communities all aimed at reducing greenhouse emission in the planning and development of settlements
- Strong – by encouraging innovation in the building industry as well as educating industry and the community of the benefits associated with sustainable building features
- Healthy – by providing advice and assistance on the appropriate use of the Queensland Planning Provisions as a mechanism for improving urban living lifestyles which make full use of outdoor activities.

The devastating floods and cyclones experienced recently in Queensland have had major consequences for the State. The department will support the Queensland Reconstruction Authority (QldRA) to deliver and implement State, functional and local plans addressing and coordinating land use planning, building and local government issues where appropriate. Individual local governments will be supported to prepare and deliver local community and economic recovery and reconstruction plans.

With the State's population expected to reach 9.1 million by 2056, greater pressure will be placed on housing availability and affordability and infrastructure particularly in growth areas of South East Queensland, coastal areas and emerging resource communities. Key strategies for GMQ are to successfully manage these pressures as well as develop liveable communities, provide for sustainable settlement patterns and promote environmental resilience and quality urban outcomes. Strengthening the regions via regional planning is the Government's premier growth management strategy with statutory regional plans being rolled out across the State.

Strong, sustainable and resilient local governments continue to be a key focus for the department. The department will enhance community planning, asset management and financial management practices and deliver improved local government capability.

2011-12 HIGHLIGHTS

The key service priorities for 2011-12 are:

Supporting sustainable, prosperous liveable communities through effective growth management by:

- releasing the *2011 Queensland Infrastructure Plan* and implementing infrastructure charges reforms as part of the Government's response to the Infrastructure Charges Taskforce
- establishing the Major Projects office to coordinate state government planning and approval processes for economically significant projects, as part of the Government's response to the building revival forum
- delivering a range of practical solutions to improve the outlook for the building industry, including:
  - investigating the self-certification of certain operational works to reduce cost and time impacts on the building industry;
  - investigating the establishment of an alternate dispute resolution process for development appeals to reduce cost and time impacts;
  - supporting delivery of mixed lot sizes in planning schemes to facilitate delivery of diverse and affordable housing products;
  - exploring opportunities to further improve development approval timeframes; and
  - conducting an independent review of the *Sustainable Planning Act (2009)* implementation progress.
- implementing the Council of Mayors (SEQ) and LGAQ's Development Assessment Process Reform Program (subject to a business case), which will extend the "Target 5 Days" benefits of reduced development approval time frames and lower holding costs to larger subdivisions and associated operational works
- progressing the Growth Management Program prior to the release of its second annual report
- developing a Queensland Regionalisation Strategy to encourage sustainable economic and population growth outside South East Queensland
- facilitating finalisation of local government Priority Infrastructure Plans
- progressing the *Townsville Futures Plan* for release
- assisting the Urban Land Development Authority (ULDA) to progress development schemes for the four Greenfield sites in Ripley Valley, Flagstone, Yarrabilba and Caloundra South
- finalising Development Agreements for: Albion, Ferny Grove Stage 1 and Coorparoo Transit Oriented Developments (TOD) and Ellenborough Street, Ipswich to support the Ipswich City Revitalisation Strategy
- finalising Local Area Plans to promote TOD outcomes for the Moreton Bay Rail Link and developing the first phase of the Yeerongpilly TOD
- completing the Brisbane Valley Rail Trail and the Boonah to Ipswich Recreation Trail
- reviewing priorities of the State Planning Instruments Program including publishing the annual program of interests
- releasing the *Resource Town Housing Affordability Study*
- continuing the roll out of the Smart eDA program including the development of further applications and training local governments in the use of Smart eDA for plumbing and drainage applications
- coordinating implementation of priority projects and programs for the *South East Queensland Regional Plan*

- coordinating a State-wide program of Regional Planning Committee meetings
- completing the Mount Peter Structure Plan and the Kinross Road Structure Plan
- facilitating "Green Door" State significant projects
- conducting training for builders, building certifiers and other key industry groups in relation to building requirements and for plumbing industry stakeholders to enhance the uptake of performance based solutions
- releasing the Sustainable Buildings Discussion Paper and commence implementing resulting measures
- developing guidelines for local governments designating transport noise corridors
- progressing master planning for the Princess Alexandra Hospital Precinct, Royal Brisbane and Women's Hospital Precinct, Douglas (Townsville) Knowledge Precinct and the Sippy Downs Smart Community
- finalising collaborative agreements with the ULDA for selected Smart Community development sites and with Government stakeholder agencies involved in each of the identified Smart Community sites
- releasing version 3.09 of the *Standard Planning Scheme Provisions* (now called the *Queensland Planning Provisions* (QPP)) ensuring a consistent format and structure for local government planning schemes across Queensland
- releasing the *QPlan Queensland Planning Provisions User Guide – Strategic Framework* and supporting user guides (one for each part of the QPP) which assist local government scheme drafters to meet requirements of the QPP structure, promote effective integration of State Interests and improve State Interest review processes
- boosting tools and training available to support Queensland's new planning system – *QPlan* (including review and update of existing tools, preparation of new tools and preparation and delivery of training packages across the State relating to the QPP and the *Sustainable Planning Act 2009 (SPA)*)
- developing the Planning Scheme Exemplar Project which aims to assist specific local governments to prepare new planning schemes in accordance with SPA and the QPP
- introducing the *Queensland Development Code Part 2.3* Fire safety in existing residential care buildings
- implementing the National Licensing System where appropriate and the *National Construction Code*
- developing guidelines for building certifiers conducting inspections of public and commercial type buildings during and after construction and reviewing and clarifying requirements for inspections during construction of houses, sheds and garages
- monitoring plumbing installations, including those performed under the Queensland Government's Solar Hot Water Rebate Scheme, to ensure that hot water systems installed in Queensland are installed in accordance with the legislative requirements to protect the public
- providing training to Local Government Plumbing Inspectors to assist them in carrying out their investigation obligations as set out in the *Plumbing and Drainage Act 2002*.

Supporting effective, efficient sustainable and resilient local governments by:

- delivering the new Local Government Grants and Subsidies Program which incorporates the new Climate Ready Infrastructure Initiative
- supporting introduction of the new stand alone local government election legislation
- developing policy with relevant Australian Government and State agencies for a sustainable funding model for environmental health and housing related infrastructure for Indigenous local governments

- supporting Indigenous local governments through appropriate policies, capacity building strategies and provision of funding and contributing to whole-of-Government initiatives for remote Indigenous communities
- evaluating the financial sustainability of all local governments and developing and implementing capacity building programs, including workshops, guidelines and specific reporting on the local government sector
- providing assistance to local governments to develop local laws to support community safety plans and other local needs as required
- implementing reform to support asset management planning and financial forecast development in local governments
- implementing the recommendation of the Local Government Reform Commission to investigate options for future Weipa governance (currently unincorporated in a local government area).

RECENT ACHIEVEMENTS

Significant achievements and targets met during 2010-11:

- released the first *South East Queensland Growth Management Program Annual Report* (2010) which reports on land and dwelling supply and identifies actions for consideration by the State and local governments to meet dwelling targets and other policies of the *South East Queensland Regional Plan*
- released the Infrastructure Charges Taskforce's Final Report which included ten recommendations for the reform of development infrastructure charging arrangements and released the Government's response to the Report
- released *2010-2031 South East Queensland Infrastructure Plan and Program (SEQIPP)* and commenced work on delivering the *Queensland Infrastructure Plan*
- released the draft Mackay, Isaac and Whitsunday Regional Plan and the draft Wide Bay Burnett Regional Plan for consultation
- coordinated the South East Queensland Regional Planning Committee, and a State-wide program of seven other Regional Planning Committees involving State Government representatives and Mayors to assist the preparation and implementation of regional plans
- coordinated the identification and implementation of 30 priority projects and programs from the *SEQ Regional Plan*
- released the Surat Basin Regional Planning Framework
- provided technical assistance in the preparation of the draft Townsville Futures Plan for public consultation
- released the first *Development Assessment Monitoring and Performance Program Annual Report 2009-2010*
- supported the QldRA to respond to and administer Natural Disaster Relief and Recovery Arrangements associated with flooding experienced between November 2010 and February 2011, and impacts from Tropical Cyclones Tasha and Anthony, and Severe Tropical Cyclone Yasi
- provided support through the department's regional office network to councils and communities to prepare Local Community, Economic, Environmental Recovery and Reconstruction Plans
- completed the community engagement strategy for the growth management agenda
- launched the *Way to Grow* website including an online and outdoor advertising campaign and established a community reference panel
- commenced Stage two of the Government's Pool Safety Improvement Program
- amended the *Building Act 1975*, requiring all class 3 buildings to comply with the pool safety standard or have a pool safety management plan in place

- provided a dedicated webpage and resources for natural disaster recovery from the Queensland floods and Severe Tropical Cyclone Yasi
- Smart eDA now supports:
  - 34 councils signed to use the service;
  - 22 councils accepting electronic development applications;
  - the pools safety register; and
  - the delivery of the plumbing application service pilot to Mackay, Bundaberg and Ipswich City Councils.
- Building the Education Revolution – fast tracking of development across the State providing approximately 80 approvals under the State Planning Regulations
- reviewed the *Iconic Queensland Places Act 2008* and introduced legislative amendments to streamline arrangements
- adopted the *National Construction Code 2011* and introduced the *Queensland Development Code Part 3.3* Temporary accommodation buildings and *Queensland Development Code 4.4* Buildings in transport corridors
- conducted training on the introduction of the *Occupational Licensing (National Law) Act 2010 (Queensland)* across the State for builders, building certifiers and key industry groups
- amended the *Queensland Development Code 4.1* Sustainable buildings to include:
  - 6 star requirements for houses;
  - end of trip requirements in major developments to include secure bicycle parking, locker facilities and change rooms; and
  - extended requirements for energy efficient air conditioners in all Queensland buildings.
- created a Universal Housing Advisory Group in response to the National Dialogue on Universal Housing Design, prepared a Sustainable Buildings discussion paper and commissioned research into the uptake and benefits of the Sustainability Declaration
- supported the implementation of the Koala State Planning Policy and State Planning Regulatory Provisions
- opened the Maroochy River Trail and 100 km of the Brisbane Valley Rail Trail
- obtained approval of the *Eastern Corridor Neighbourhood Plan* which supports a TOD outcome at the Coorparoo Junction site
- executed partnership agreement between GMQ and Moreton Bay Regional Council to support development uplift along the Moreton Bay Rail corridor
- announced the preferred vision for a TOD at Ferny Grove and lodged development application for Stage 1
- finalised the Kallangur TOD concept design
- prepared the Yeerongpilly TOD Plan of Development with comprehensive community input and sold the commercial early release site to Brisbane City Council for their Southern Regional Business Centre
- progressed a draft River City Blueprint document which is being reviewed to reflect the learnings and priorities emerging as a result of the January 2011 Brisbane River flood
- assisted the ULDA to declare SEQ Greenfield Urban Development Areas for Greater Flagstone, Yarrabilba, Ripley Valley and Caloundra South and gained approval of Development Schemes for Woolloongabba, Oonoonba, and Bowen Street, Roma Urban Development Areas
- completed the Economic Development Strategy for the Princess Alexandra Hospital Precinct and Royal Brisbane and Women's Hospital Precinct

- finalised collaborative agreements with Government stakeholder agencies involved in the Princess Alexandra Hospital, Royal Brisbane and Women's Hospital and Townsville Smart Community sites and commenced preliminary planning for the Princess Alexandra Hospital, Royal Brisbane and Women's Hospital and Townsville Smart Communities
- completed evaluation of potential sites for the establishment of a series of regional knowledge precincts
- finalised the concept plan for the Sippy Downs Smart Community
- released *The Transit Oriented Development Guide* in October 2010
- released the QPP version 2.0 which provides a consistent form for planning schemes across Queensland through the standardised structure, format, land use and administrative definitions, zones, levels of assessment, development assessment codes and other administrative matters
- commenced preliminary work with three local governments as part of the Planning Scheme Exemplar Project to ensure planning schemes under SPA are aligned with the QPlan framework and achieve the objectives of the planning reform agenda
- implemented determinations of the Local Government Change Commission for local government boundary changes
- developed the Program Guidelines for the Local Government Grants and Subsidies Program
- provided $13.7 million funding to the Cassowary Coast Regional Council for priority sewerage treatment plants in the Innisfail and Tully communities
- developed a Community Awareness and Capacity Building Program for the March 2012 Local Government Elections, including workshops for intending candidates
- progressed the development of the new stand alone Local Government election legislation
- concluded the review and amendment of the *Local Government (Aboriginal Lands) Act 1978*
- concluded the evaluation of asset management, community engagement, governance and financial management (sustainability) for all 73 local governments, including Indigenous local governments
- worked with Doomadgee, Woorabinda, Wujal Wujal, Hope Vale, Kowanyama and Lockhart River Aboriginal Shire Councils' officers and stakeholders to progress the Indigenous State Infrastructure Program infrastructure works
- continued the provision of State-wide communication and information sessions for local governments, to assist with undertaking community planning, and released two supporting guidelines: *A Guide to Community Planning* and *A Guide to Community Engagement*
- conducted compliance checks of plumbing works performed under the Queensland Government's Solar Hot Water rebate program
- provided investigations training to Local Government Plumbing Inspectors at Cairns, Toowoomba, Gold Coast, Fraser Coast, Ipswich and Whitsundays.

DEPARTMENTAL SERVICES

The Department of Local Government and Planning delivers two services:

Planning:

Providing leadership by collaborating with State agencies, local government and other stakeholders to effectively plan for growth and infrastructure provision in Queensland, to maintain a high quality of life and facilitate sustainable development.

Local Government:

Partnering with local governments to deliver sustainable and accountable local government services, providing services and advice in the areas of governance, monitoring and performance analysis, interventions and investigations, and targeted initiatives in support of Indigenous local governments, capacity building and funding.

STAFFING[1]

Service areas	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
Services				
Planning	2	276	421	450
Local Government	3	189	178	176
Total	4	**465**	**599**	**626**

Notes:
1. Average full-time equivalents as at 30 June.
2. The actual FTE numbers for the Planning service have increased compared to the 2010-11 budgeted FTE, due to:
   - increased funding for the implementation of:
     - the creation of Growth Management Queensland;
     - the analysis of development options for transport corridors and sites focussing on Transit Oriented Development outcomes;
     - the Pool Safety Program; and
     - the Fire Safety Improvement Program.
   - a small transfer of resources from the former Infrastructure and Economic Development service to the Planning service to ensure alignment with Growth Management Queensland.
3. The actual FTE numbers for the Local Government service decreased due to: a small reduction in positions across the function, current vacancies and realignment of regional service resources.
4. The 2010-11 budget has been adjusted to reflect the transfer of the Coordinator-General function (Infrastructure and Economic Development service and Property Services Group business unit) to the Department of Employment, Economic Development and Innovation.

2011-12 SERVICE SUMMARY[1]

Service areas	Total cost $'000	Sources of revenue			
		State Contribution $'000	User charges $'000	C'wealth revenue $'000	Other revenue $'000
Planning	93,102	84,178	5,430	..	2,890
Local Government	580,454	579,134	..	820	..
Total	**673,556**	**663,312**	**5,430**	**820**	**2,890**

Note:
1. Explanations of variances are provided in the financial statements.

ADMINISTERED ITEMS

Administered activities are those undertaken by the department on behalf of the Government. The department administers funds:

- provided by the Australian Government as Financial Assistance Grants for local governments under the *Local Government (Financial Assistance) Act 1995 (Commonwealth)* to support the service provision capacity of councils; and
- for the Tablelands Regional Council for tourist infrastructure in Kuranda; and
- for the operations of the Urban Land Development Authority.

DESCRIPTION

Commonwealth Financial Assistance Grants

Queensland's Local Government Grants Commission is an independent body appointed by the State Government to recommend the distribution of the Australian Government funded Financial Assistance Grant. The grant is aimed at improving the capacity of local governments to provide services. In 2010-11, $309.5 million was made available to local governments for general purposes and road purposes. An advance payment from 2010-11 was paid to local governments in 2009-10 of $101.5 million. Funding of $415.8 million will be made available to local governments in 2011-12.

Kuranda Infrastructure Levy

The department administered an arrangement which resulted in $0.44 million in 2010-11 (consisting of contributions from Queensland Rail) being provided to Tablelands Regional Council for the provision of tourist infrastructure in the town of Kuranda. Legislation is in place to ensure any third party operators on the Kuranda line also contribute to the levy arrangement.

Kuranda Skyrail Levy

The department administers an arrangement which provides contributions from the Kuranda Skyrail toward the provision of tourist infrastructure in the town of Kuranda by the Tablelands Regional Council in 2010-11.

Urban Land Development Authority

The Government provided funding of $2.5 million in 2010-11 for the continuing operation of the Urban Land Development Authority (ULDA). The ULDA was established in late 2007 as part of the Queensland Housing Affordability Strategy.

Financial statements and variance explanations in relation to Administered Items appear in the Departmental Financial Statements.

DEPARTMENTAL STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/ est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Planning				
Service standards				
Degree of stakeholder satisfaction with training and capacity building initiatives delivered to support the implementation of reforms to improve the State's planning and development framework	1	85%	80%	85%
The annual increase in hectares of Land for Public Recreation	2,3	New measure	10,000 hectares	15,000 hectares
Other measures				
Percentage of milestones completed on priority projects identified in regional plan implementation programs	4	80%	80%	80%
Number of Regional Plans reviewed in accordance with statutory timeframes	5	1	0	1
Percentage of statutory concurrence responses provided to Councils, development industry and community within statutory timeframes	6	100%	100%	100%
Policies under the Cleaner, Greener Buildings election commitment and other building-related policy reforms are delivered at the agreed times	7	100%	95%	100%
Policies for pool safety law related changes are delivered at the agreed times	8	100%	100%	100%
Percentage of State interest checks performed within agreed timeframes	9	New measure	..	80%
Percentage of Transit Oriented Development and urban design related projects completed in agreed timeframes	9	New measure	..	100%
State contribution ($000)	13, 16, 19	**50,188**	**63,701**	**84,178**
Other revenue ($000)	14, 17, 20	**1,224**	**3,173**	**8,320**
Total cost ($000)	15, 18, 21	**51,412**	**66,964**	**93,102**
Service Area: Local Government				
Service standards				
Percentage of Local Governments satisfied with advice and services provided by the department	10	95%	62%	85%

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Other measures				
Percentage of community infrastructure projects funded by the department completed by Local Governments within approved timeframes	11	85%	85%	85%
Number of Local Government financial sustainability evaluations conducted by the Office of Local Government per annum	12	New measure	..	73
State contribution ($000)	22, 25, 28	**545,966**	**630,942**	**579,134**
Other revenue ($000)	23, 26, 29	**..**	**4,137**	**820**
Total cost ($000)	24, 27, 30	**545,966**	**642,459**	**580,454**

Notes:

1. The 2010-11 estimated actual of 80% satisfaction was determined from feedback obtained from clients of the department's planning and building programs. In the planning program training and information sessions were conducted, principally to assist council and private planners implement the QPlan Queensland Planning Provisions. In the building program, local government Plumbing Inspectors at Cairns, Toowoomba, Gold Coast, Fraser Coast, Ipswich and Whitsundays were provided with investigations training.
2. The additional 10,000 hectares of land for public recreation during 2010-11includes areas in the Brisbane Valley Rail Trail, Fitzgibbon Chase, Kangaroo Point Cliffs Park and Wyaralong Dam (Mount Joyce Recreation Park). The Department of Local Government and Planning is the lead department for the *Toward Q2: Tomorrow's Queensland* Green – Greenspace target. The Department of Environment and Resource Management is a contributing department to this target and the land for nature conservation (National Parks) component of the target is reported in the Department of Environment and Resource Management's Service Delivery Statement. For further information on the *Toward Q2: Tomorrow's Queensland* target measures and their contributing departments, refer to the Target Delivery Plan found on the www.TowardQ2.qld.gov.au website.
3. The Department of Environment and Resource Management is a contributing Department to the Greenspace target and the measure Land for Nature Conservation (National Parks) component of the target is reported in the Department of Environment and Resource Management's Service Delivery Statement. The Department of Local Government and Planning is the lead department for the *Toward Q2: Tomorrow's Queensland* Green – Greenspace target. For further information on the *Toward Q2: Tomorrow's Queensland* target measures and their contributing departments, refer to the Target Delivery Plan found on the www.TowardQ2.qld.gov.au website.
4. Across the State during 2010-11 there were 9 regional plans in place (6 statutory and 3 non-statutory), with two statutory regional plans being developed. The annual program of managing priority projects associated with the implementation outcomes for the regional plans is monitored through regular reporting to Regional Planning Committees.
5. During 2010-11 preparation of the statutory Wide Bay Burnett Regional Plan commenced. Considerable progress was made in developing this regional plan, and while it was expected to be released before the end of the financial year, it is now expected to be released early next financial year. The draft Mackay Isaac and Whitsunday Regional Plan was released on 25 May 2011 and it is anticipated that the final plan will be released later in the 2011-2012 financial year.
6. Local councils as assessment managers under the *Sustainable Planning Act 2009* referred 99 development applications to the department during 2010-11. Of these applications 84 triggered the department to undertake its responsibilities as a concurrence agency including seeking further information from the applicants before making a final determination. These responsibilities were all exercised within the statutory timeframes as set out by the *Sustainable Planning Act 2009*.
7. The scope of the Cleaner Greener buildings has been widened to include the Sustainable Buildings discussion paper and consultation (under action 37 of the *ClimateSmart Adaption Plan*). Policies associated with this service standard were delivered through amendments to the Queensland Development (QDC). QDC 4.1 to extend the installation ban on energy inefficient air conditioners and to include requirements for end of trip facilities (under Cleaner Greener Buildings) came into effect on 1 September 2010 and 26 November 2010 respectively. QDC 4.4 to improve the building standards for residential dwellings in designated transport noise corridors was introduced on 1 September 2010. Requirements for 6 star energy efficient housing units under QDC 4.1 were due to be introduced on 1 May 2011 but have been delayed due to flooding/Cyclone Yasi and will be introduced on 1 October 2011.
8. The Swimming Pool Improvement Strategy was implemented by legislative amendments to the *Building Act 1975* in December 2010, along with administrative arrangements including the establishment of the Pool Safety Council and staff, approval of pool safety inspector courses, the launch of the online pool safety register and an extensive communications campaign. Since the launch of the strategy in December 2010 until the end of May 2011, over 900 pool safety inspectors have been licensed, over 230,000 pools registered on the pool safety register and over 15,000 pool barriers inspected and certified as safe.
9. These two new measures are introduced from 2011-12 to provide a measure of the key work and progress being made by the department following the establishment of Growth Management Queensland under the *Sustainable Planning Act 2009*. Monitoring of State interest checks will ensure that State agencies can participate in the development of local government planning schemes. Progress in achieving the Transit Oriented Development and Design program of works will include monitoring planning projects associated with the staged delivery of transit oriented developments at Yeerongpilly and Coorparoo and planning for more than 5 other Transit Orientated Development (TOD) precincts in South East Queensland.

10. The estimated actual of 62% satisfaction was determined from a business improvement survey conducted in April 2011 by the Office of Economic and Statistical Research. The survey included local government chief executive officers and Mayors. The survey focused on service and advice delivered through the department's Regional Services network of offices across the State, and legislative advice and support delivered through the department's Brisbane based Office of Local Government. The estimated target of 95% for 2010-11 was set as an aspirational target after achieving a satisfaction result of 82% last year. This year's business improvement survey was expanded to seek more detailed feedback from clients and facilitate more in depth analysis of responses. The 2011-12 target estimate is revised to 85% in line with past results.
11. This measure is linked to the department's key priority of local governments delivering essential community infrastructure within agreed project timeframes. This measure makes linkages between funding agreements, project management by councils and increased DLGP regional office advice and support to councils to ensure funded projects are well managed and monitored, and delivered on time. Essentially, this measures the efficiency of delivery of community infrastructure by local governments and the effective use of State infrastructure funds. As at 31 March 2011, the 2010-11 year to date is lower than the target estimate due to delays in receiving supporting documentation from some councils and approval by partnering State Government departments. Councils are required to complete funded projects within 2 years from the approval date, however applications for an extension of time can be submitted for consideration and where practicable should be submitted 3 months prior to the existing approved completion date.
12. The financial sustainability evaluation process was introduced in December 2008 and the 73 local governments are not required to provide a return for evaluation. Councils are evaluated against criteria including asset management, financial management (sustainability), governance and community engagement. The measure reflects the importance of local governments engaging in the process, which allows the department to form a view on the sustainability of the local government system and each individual local government. Support to local governments can then be tailored to suit the business needs of each local government.

Planning

Major variations between 2010-11 Adjusted Budget and 2010-11 Estimated actual include:

13. The increase primarily reflects increased funding for the analysis of development options for transport corridors and sites, with a focus on Transit Oriented Development (TOD) program, implementation of Growth Management Queensland's Engagement Strategy and implementing the fire safety improvement program for existing residential care buildings.
14. The increase principally relates to the collection of Pool Safety licence fees following the introduction of the new pool safety standard and contributions received for the development of the Smart Community initiative.
15. The increase primarily reflects increased funding for the implementation of the Pool Safety program, the analysis of development options for transport corridors and sites, on which the focus is related to the TOD program, the development of the Smart Community initiative, and the creation of Growth Management Queensland.

Major variations between 2010-11 Adjusted Budget and 2011-12 Estimate include:

16. The increase primarily reflects increased funding for the analysis of development options for transport corridors and sites, on which the focus is related to the TOD program, the implementation of the Growth Management Queensland's Engagement Strategy and planning for increases in land available for public recreation and additional funding for the Building Revival Forum outcomes.
17. The increase principally relates to the collection of Pool Safety licence fees following the introduction of the new pool safety standard, contributions received for the development of the Smart Community initiative, and revenue received on the sale of land at Yeerongpilly TOD.
18. The increase primarily reflects increased funding for the implementation of the Pool Safety program, the analysis of development options for transport corridors and sites, on which the focus is related to the TOD program, the development of the Smart Community initiative, planning for land for public recreation and the creation of Growth Management Queensland, the additional funding for the implementation of measures which will support growth in the building and construction sector, and revenue received on the sale of land at Yeerongpilly TOD.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

19. The increase primarily reflects increased funding for the State Planning program, the TOD program, and the Building Revival Forum outcomes.
20. The increase principally relates to the collection of Pool Safety licence fees following the introduction of the new pool safety standard and revenue received on the sale of land at Yeerongpilly TOD.
21. The increase primarily reflects increased funding for the State Planning program, the Building Revival Forum outcomes, the TOD program, the collection of Pool Safety licence fees following the introduction of the new pool safety standard and revenue received on the sale of land at Yeerongpilly TOD.

Local Government

Major variations between 2010-11 Adjusted Budget and 2010-11 Estimated actual include:

22. The increase primarily reflects increased funding for the Natural Disaster Relief and Recovery Arrangements (NDRRA). This is partially offset by the realignment of funding to 2011-12 as a result of revised forecasts under the Indigenous State Infrastructure program and the Priority Sewage Treatment Plant Upgrade program.
23. The increase is primarily due to increased funding under the Australian Government funding programs.
24. The increase primarily reflects increased funding for the NDRRA and the timing of receipts under the Australian Government funding programs. This is partially offset by the realignment of funding to 2011-12 as a result of revised forecasts under the Indigenous State Infrastructure program and the Priority Sewage Treatment Plant Upgrade program.

Major variations between 2010-11 Adjusted Budget and 2011-12 Estimate include

25. This increase primarily reflects increased funding for the NDRRA. This is partially offset by reduced funding for the Local Government Grant and Subsidy programs.
26. The increase is primarily due to increased funding under the Australian Government funding programs.
27. This increase primarily reflects increased funding for the NDRRA. This is partially offset by reduced funding for the Local Government Grants and Subsidy programs.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

28. The decrease principally relates to the provisional decrease in funding for the NDRRA pending final assessment of funding requirements for 2011-12, and the reduced funding for the Local Government Grant and Subsidy programs. This is partially offset by increased funding for the Indigenous State Infrastructure program, and for the Priority Sewage Treatment Plant Upgrade program.
29. The decrease is primarily due to reduced funding under the Australian Government funding programs.
30. The decrease principally relates to the provisional decrease in funding for the NDRRA pending final assessment of funding requirements for 2011-12, reduced funding for the Local Government Grant and Subsidy programs and the timing of receipts under the Australian Government funding programs. This is partially offset by increased funding for the Indigenous State Infrastructure program, and for the Priority Sewage Treatment Plant Upgrade program.

INCOME STATEMENT

Department of Local Government and Planning	Notes	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue	1,9,16	627,453	723,528	663,312
User charges	2,17	5,484	11,082	5,430
Grants and other contributions	3,10,18	19,102	18,009	1,354
Other revenue	4,11,19	1,026	1,809	2,356
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**653,065**	**754,428**	**672,452**
Expenses				
Employee expenses	5,12,20	73,313	81,967	68,366
Supplies and services	6,13,21	55,439	76,133	109,845
Grants and subsidies	7,14,22	516,572	601,036	493,067
Depreciation and amortisation		959	959	750
Finance/borrowing costs		..	14	615
Other expenses		788	1,130	913
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**647,071**	**761,239**	**673,556**
OPERATING SURPLUS/(DEFICIT)	8,15,23	**5,994**	**(6,811)**	**(1,104)**

STATEMENT OF CHANGES IN EQUITY

Department of Local Government and Planning	Notes	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		5,994	(6,811)	(1,104)
Total recognised income and expense for the period		**5,994**	**(6,811)**	**(1,104)**
Equity injection/(withdrawal)		(12,926)	786	2,880
Equity adjustments (MoG transfers)		(122,496)	(543,874)	..
Total movement in equity for period		**(129,428)**	**(549,899)**	**1,776**

BALANCE SHEET

Department of Local Government and Planning	Notes	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	24,35	28,753	8,717	8,801
Receivables	25,36	5,319	7,453	7,453
Other financial assets		..	..	..
Inventories	26,37,47	54	19,464	27,314
Other		169	74	74
Non-financial assets held for sale		..	..	..
Total current assets		**34,295**	**35,708**	**43,642**
NON-CURRENT ASSETS				
Receivables	27,38	..	13,007	13,007
Other financial assets		..	..	..
Property, plant and equipment	28,39,48	6,769	18,433	19,949
Intangibles	29,40	9,130	4,104	4,884
Other		..	..	..
Total non-current assets		**15,899**	**35,544**	**37,840**
TOTAL ASSETS		**50,194**	**71,252**	**81,482**
CURRENT LIABILITIES				
Payables	30,41	28,669	16,215	16,215
Accrued employee benefits		3,587	3,326	3,326
Interest-bearing liabilities and derivatives		..	9	9
Provisions		..	..	..
Other	31,42	(101)	901	901
Total current liabilities		**32,155**	**20,451**	**20,451**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives	32,43,49	..	1,304	9,758
Provisions		..	65	65
Other		..	..	..
Total non-current liabilities		**..**	**1,369**	**9,823**
TOTAL LIABILITIES		**32,155**	**21,820**	**30,274**
NET ASSETS/(LIABILITIES)		**18,039**	**49,432**	**51,208**
EQUITY				
Capital/contributed equity	33,44,50	(16,444)	19,177	22,057
Accumulated surplus/(accumulated deficit)	45,51	4,182	3,645	2,541
Reserves:				
- Asset revaluation surplus	34,46	30,301	26,610	26,610
- Other (specify)		..	..	..
TOTAL EQUITY		**18,039**	**49,432**	**51,208**

CASH FLOW STATEMENT

Department of Local Government and Planning	Notes	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts	52,65,77	627,453	724,830	663,312
User charges	53,78	5,484	11,082	5,430
Interest Received		..	35	..
Grants and other contributions	54,66,79	19,102	18,009	1,354
Other	55,67,80	1,026	1,774	2,356
Outflows:				
Employee costs	56,68,81	(73,313)	(81,967)	(68,366)
Supplies and services	57,69,82	(55,439)	(75,207)	(117,695)
Grants and subsidies	58,70,83	(516,572)	(601,036)	(493,067)
Borrowing costs		..	(14)	(615)
Other	59,84	(788)	2,017	(913)
Net cash provided by/(used in) operating activities		**6,953**	**(477)**	**(8,204)**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment	60,71,85	5,335	928	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	61,72,86	(15,109)	(4,556)	(3,046)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(9,774)**	**(3,628)**	**(3,046)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings	62,73,87	..	1,304	11,980
Equity injections	63,74,88	(7,591)	5,277	2,880
Outflows:				
Borrowing redemptions	75,89	..	..	(3,526)
Finance lease payments		..	..	..
Equity withdrawals	64,76,90	(5,335)	(4,491)	..
Net cash provided by/(used in) financing activities		**(12,926)**	**2,090**	**11,334**
Net increase/(decrease) in cash held		**(15,747)**	**(2,015)**	**84**
Cash at the beginning of financial year		**47,637**	**15,811**	**8,717**
Cash transfers from restructure		(3,137)	(5,079)	..
Cash at the end of financial year		**28,753**	**8,717**	**8,801**

ADMINISTERED INCOME STATEMENT

Department of Local Government and Planning	Notes	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Revenues				
Commonwealth grants	91,93,95	397,696	309,455	415,803
Taxes, fees and fines		488	488	488
Royalties, property income and other territorial Revenue		..	..	..
Interest		..	..	..
Administered revenue	92,94,96	451,040	312,737	416,547
Other		..	700	..
Total revenues		**849,224**	**623,380**	**832,838**
Expenses				
Supplies and services		..	..	..
Depreciation and amortisation		..	..	..
Grants and subsidies	92,94,96	451,040	312,737	416,547
Benefit payments		..	..	..
Borrowing costs		..	..	..
Other		..	700	..
Total expenses		**451,040**	**313,437**	**416,547**
Net surplus or deficit before transfers to Government		**398,184**	**309,943**	**416,291**
Transfers of administered revenue to Government		**398,184**	**309,943**	**416,291**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

ADMINISTERED BALANCE SHEET

Department of Local Government and Planning	Notes	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	97,98	1,599	..	..
Receivables		..	..	..
Inventories		..	..	..
Other		..	..	..
Non-financial assets held for sale		..	..	..
Total current assets		**1,599**	**..**	**..**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		..	..	..
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**..**	**..**	**..**
TOTAL ADMINISTERED ASSETS		**1,599**	**..**	**..**
CURRENT LIABILITIES				
Payables	97,98	1,597	..	..
Transfers to Government payable		..	..	..
Interest-bearing liabilities		..	..	..
Other		..	..	..
Total current liabilities		**1,597**	**..**	**..**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Interest-bearing liabilities		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL ADMINISTERED LIABILITIES		**1,597**	**..**	**..**
ADMINISTERED NET ASSETS/(LIABILITIES)		**2**	**..**	**..**
EQUITY				
Capital/Contributed equity		(63,193)	(63,176)	63,176)
Accumulated surplus/(Accumulated deficit)		63,195	63,176	63,176
Reserves:		..	..	..
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL ADMINISTERED EQUITY		**2**	**..**	**..**

ADMINISTERED CASH FLOW STATEMENT

Department of Local Government and Planning	Notes	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Administered item receipts	99,103, 105	451,040	313,099	416,547
Grants and other contributions		397,696	309,455	415,803
Taxes, fees and fines		488	488	488
Royalties, property income and other territorial revenues		..	..	..
Other	101,107	..	1,772	..
Outflows:				
Transfers to Government	100,104,106	(398,184)	(309,943)	(416,291)
Grants and subsidies	99,103, 105	(451,040)	(313,099)	(416,547)
Supplies and services	102,108	..	(10,180)	..
Borrowing costs		..	..	..
Other		..	(704)	..
Net cash provided by/(used in) operating activities		**..**	**(9,112)**	**..**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(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/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**..**	**..**	**..**
Administered cash at beginning of financial year		**1,599**	**9,112**	**..**
Cash transfers from restructure		..	..	..
Administered cash at end of financial year		**1,599**	**..**	**..**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Adjusted Budget and 2010-11 Estimated actual include:

1. The increase primarily reflects increased funding for the Natural Disaster Relief and Recovery Arrangements (NDRRA). This is partially offset by the realignment of funding to 2011-12 as a result of revised forecasts under the Indigenous State Infrastructure program and the Priority Sewage Treatment Plant Upgrade program.
2. The increase principally relates to rent revenue collected on Mary Valley property holdings and fees collected to support a bid to hold the 2018 Commonwealth Games at the Gold Coast.
3. The decrease principally relates to the deferral of contributions to acquire land for the Surat Basin Railway project. This is partially offset by contributions from the Australian Government for the Advancing Asset Management in Local Government project.
4. The increase principally relates to the collection of Pool Safety licence fees following the introduction of the new pool safety standard.
5. The increase reflects increased funding for the implementation of the Pool Safety program, the analysis of development options for transport corridors and sites, on which the focus is related to the Transit Oriented Development (TOD) program, the development of the Smart Community initiative, and the creation of Growth Management Queensland.
6. The increase is primarily due to the change in the method of project delivery in respect of the Indigenous State Infrastructure program which was previously provided as grants and the timing of receipts under the Australian Government funding program.
7. The increase primarily reflects increased funding for the NDRRA. This is partially offset by the change in the method of project delivery in respect of the Indigenous State Infrastructure program which was previously provided as grants and the realignment of funding to 2011-12 as a result of revised forecasts under the Priority Sewage Treatment Plant Upgrade program.
8. The decrease primarily reflects the timing of receipts under the Australian Government funding program and the deferral of capital grants received for the Surat Basin Railway project.

Major variations between 2010-11 Adjusted Budget and 2011-12 Estimate include:

9. This increase primarily reflects increased funding for the NDRRA, and additional funding for the State Planning program and for the Building Revival Forum outcomes. This is partially offset by reduced funding for the Local Government Grant and Subsidy programs and the transfer of the Coordinator General functions from the former Department of Infrastructure and Planning to the Department of Employment, Economic Development and Innovation (DEEDI) on 1 March 2011 (Machinery of Government transfer on 1 March 2011).
10. The decrease principally relates to the Machinery of Government transfer on 1 March 2011.
11. The increase principally relates to the collection of Pool Safety licence fees following the introduction of the new pool safety standard.
12. The decrease principally relates to the Machinery of Government transfer on 1 March 2011. This is partially offset by additional funding for the establishment of a Major Projects Office to support growth in the building and construction sector, and increased funding for the implementation of the Pool Safety program, the analysis of development options for transport corridors and sites, on which the focus is related to the TOD program, the development of the Smart Community initiative, the planning for land for public recreation and the creation of Growth Management Queensland.
13. This increase primarily reflects the change in the method of project delivery in respect of the Indigenous State Infrastructure program which was previously paid as grants, increased funding for the Indigenous State Infrastructure program, the implementation of the Pool Safety program, the analysis of development options for transport corridors and sites focussing on TOD outcomes, the development of the Smart Community initiative, the planning for land for public recreation, additional funding for the implementation of measures which will support growth in the building and construction sector and the creation of Growth Management Queensland. This is partially offset by the Machinery of Government transfer on 1 March 2011.
14. The decrease principally relates to the reduced funding for the Local Government Grant and Subsidy programs and reflects the change in the method of project delivery in respect of the Indigenous State Infrastructure program which was previously paid as grants. This is partially offset by increased funding for the NDRRA.
15. The decrease primarily reflects the deferral of capital grants received for the Surat Basin Railway project.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

16. The decrease principally relates to the provisional decrease in funding for the NDRRA pending final assessment of funding requirements for 2011-12, reduced funding for the Local Government Grant and Subsidy programs and the Machinery of Government transfer on 1 March 2011. This is partially offset by increased funding for the Indigenous State Infrastructure program, the Priority Sewage Treatment Plant Upgrade program and additional funding for the State Planning program and for the Building Revival Forum outcomes.
17. The decrease principally relates to the Machinery of Government transfer on 1 March 2011. This is partially offset by revenue received on the sale of land at Yeerongpilly TOD.
18. The decrease principally relates to the Machinery of Government transfer on 1 March 2011.
19. The increase principally relates to the collection of Pool Safety licence fees following the introduction of the new pool safety standard.
20. The decrease principally relates to the Machinery of Government transfer on 1 March 2011.
21. This increase primarily reflects increased funding for the Indigenous State Infrastructure program, additional funding for the State Planning program and for the Building Revival Forum outcomes and expenses incurred in the sale of land at Yeerongpilly TOD. This is partially offset by the Machinery of Government transfer on 1 March 2011.
22. The decrease principally relates to the provisional decrease in funding for the NDRRA pending final assessment of funding requirements for 2011-12 and the reduced funding for the Local Government Grants and Subsidies program. This is partially offset by increased funding for the Priority Sewage Treatment Plant Upgrade program.
23. The decrease primarily reflects the timing of receipts under the Australian Government funding program.

Balance sheet

Major variations between 2010-11 Adjusted Budget and 2010-11 Estimated actual include:

24. The decrease principally relates to the draw down of cash received in prior years under the Australian Government's contribution towards the Joint Agency Infrastructure programs and cash transfers on restructure.
25. The increase principally reflects input tax credits received.
26. The increase principally reflects the acquisition of the Animal Research Institute site at Yeerongpilly and the development costs for the site.
27. The increase principally reflects loans and advances made to local governments.
28. The increase principally relates to the transfer of property situated at Gibson Island from the Port of Brisbane Corporation and the fitout costs of 63 George Street Brisbane from the Department of Public Works (DPW).
29. The decrease principally relates to the deferral of acquisitions of easements as part of the LNG land corridor between Callide and Gladstone for the co-location of underground gas pipelines for LNG proponents.
30. The decrease reflects a decrease in creditors at year end for payments under the NDRRA.
31. The increase relates to an increase in general unearned revenue.
32. The increase reflects the drawdown of a loan facility with the Queensland Treasury Corporation (QTC) for the development costs of the Yeerongpilly TOD site.
33. The variance relates to the net transfer of assets and liabilities to DEEDI as part of the Machinery of Government transfer on 1 March 2011 as contributing equity.
34. The decrease principally relates to a reduction in the value of properties situated in the Mary Valley.

Major variations between 2010-11 Adjusted Budget and 2011-12 Estimate include:

35. The decrease principally relates to the draw down of cash received in prior years under the Australian Government contribution towards the Joint Agency Infrastructure programs and cash transfers on restructure.
36. The increase principally reflects input tax credits received.
37. The increase principally reflects the acquisition of the Animal Research Institute site at Yeerongpilly and the development costs for the site.
38. The increase principally reflects loans and advances made to local governments.
39. The increase principally relates to the transfer of property situated at Gibson Island from the Port of Brisbane Corporation and the fitout costs of 63 George Street Brisbane from DPW and for the construction costs of the South East Queensland Recreational Trails.
40. The decrease principally relates to the deferral of acquisitions of easements as part of the LNG land corridor between Callide and Gladstone for the co-location of underground gas pipelines for LNG proponents.
41. The decrease reflects a decrease in creditors at year end for payments under the NDRRA.
42. The increase relates to an increase in general unearned revenue.
43. The increase reflects the drawdown of a loan facility with QTC for the development costs of the Yeerongpilly TOD site.
44. The variance relates to the net transfer of assets and liabilities to DEEDI as part of the Machinery of Government transfer on 1 March 2011 as contributing equity.
45. The decrease reflects the forecast deficit for 2011-12.
46. The decrease principally relates to a reduction in the value of properties situated in the Mary Valley.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

47. The increase principally reflects development costs of the Yeerongpilly TOD site.
48. The increase principally relates to the construction costs for the South East Queensland Recreational Trails.
49. The increase reflects the drawdown of a loan facility with QTC for the development costs of the Yeerongpilly TOD site.
50. The increase principally reflects the contribution made to the Urban Land Development Authority (ULDA) during 2010-11 to construct and deliver eight residential properties and dwellings in Roma.
51. The decrease reflects the forecast deficit for 2011-12.

Cash flow statement

Major variations between 2010-11 Adjusted Budget and 2010-11 Estimated actual include:

52. The increase primarily reflects increased funding for the NDRRA. This is partially offset by the realignment of funding to 2011-12 as a result of revised forecasts under the Indigenous State Infrastructure program and the Priority Sewage Treatment Plant Upgrade program.
53. The increase principally relates to rent revenue collected on Mary Valley property holdings and fees collected to support a bid to hold the 2018 Commonwealth Games at the Gold Coast.
54. The decrease principally relates to the deferral of contributions to acquire land for the Surat Basin Railway project. This is partially offset by contributions from the Australian Government for the Advancing Asset Management in Local Government project.
55. The increase principally relates to the collection of Pool Safety licence fees following the introduction of the new pool safety standard.
56. The increase reflects increased funding for the implementation of the Pool Safety program, the analysis of development options for transport corridors and sites, on which the focus is related to the TOD program, the development of the Smart Community initiative, and the creation of Growth Management Queensland.
57. The increase is primarily due to the change in the method of project delivery in respect of the Indigenous State Infrastructure Program which was previously provided as grants and the timing of receipts under the Australian Government funding program.
58. The increase primarily reflects increased funding for the NDRRA. This is partially offset by the change in the method of project delivery in respect of the Indigenous State Infrastructure Program which was previously provided as grants and the realignment of funding to 2011-12 as a result of revised forecasts under the Priority Sewage Treatment Plant Upgrade program.
59. The decrease principally relates to the deposit received for the Curtis Island Environmental Precinct Land management program.
60. The decrease relates to the deferral of the sale of land which was to be acquired for the Surat Basin Railway Corridor. This is partially offset by the sale of land situated in the Mary Valley.

61. The decrease principally relates to the deferral of the acquisition of properties in the Narangba Hard Rock Haulage route, and the Surat Basin Railway Corridor, and the deferral of the acquisitions of easements as part of the LNG land corridor between Callide and Gladstone for the co-location of underground gas pipelines for LNG proponents.
62. The increase reflects the drawdown of a loan to facilitate local infrastructure, construction and development of parcels of land in Yeerongpilly for low rise apartments and commercial buildings.
63. The increase is a result of realigning the contribution equity for the transfer of Coordinator-General's projects as part of the Machinery of Government transfer on 1 March 2011 and the contribution received for the ULDA to construct and deliver eight residential properties and dwellings in Roma.
64. The decrease relates to the deferral of returning contributions due to the delay in the sale of land acquired as part of the Surat Basin Railway Corridor. This is partially offset by the contribution made to the ULDA.

Major variations between 2010-11 Adjusted Budget and 2011-12 Estimate include:
65. This increase primarily reflects increased funding for the NDRRA, and additional funding for the State Planning program and for the Building Revival Forum outcomes. This is partially offset by reduced funding for the Local Government Grant and Subsidy programs and the Machinery of Government transfer on 1 March 2011.
66. The decrease principally relates to the Machinery of Government transfer on 1 March 2011.
67. The increase principally relates to the collection of Pool Safety licence fees following the introduction of the new pool safety standard.
68. The decrease principally relates to the Machinery of Government transfer on 1 March 2011. This is partially offset by additional funding for the establishment of a Major Projects Office to support growth in the building and construction sector and increased funding for the implementation of the Pool Safety Program, the analysis of development options for transport corridors and sites, on which the focus is related to the TOD program, the development of the Smart Community initiative, the planning for land for public recreation and the creation of Growth Management Queensland.
69. This increase primarily reflects the change in the method of project delivery in respect of the Indigenous State Infrastructure program which was previously provided as grants, increased funding for the Indigenous State Infrastructure program, the implementation of the Pool Safety program, the analysis of development options for transport corridors and sites, on which the focus is related to the TOD program, the development of the Smart Community initiative, the planning for land for public recreation, the creation of Growth Management Queensland and the additional funding for the implementation of measures which will support growth in the building and construction sector. This is partially offset by the Machinery of Government transfer on 1 March 2011.
70. The decrease principally relates to reduced funding for the Local Government Grant and Subsidy programs and the change in the method of project delivery in respect of the Indigenous State Infrastructure program which was previously provided as grants. This is partially offset by increased funding for the NDRRA.
71. The decrease relates to the deferral of the sale of land which was to be acquired as part of the Surat Basin Railway Corridor.
72. The decrease principally relates to the deferral of the acquisition of properties in the Narangba Hard Rock Haulage route, and the Surat Basin Railway Corridor, the deferral of the acquisitions of easements as part of the LNG land corridor between Callide and Gladstone for the co-location of underground gas pipelines for LNG proponents and the transfer of capital projects as part of the Machinery of Government transfer on 1 March 2011.
73. The increase reflects the drawdown of a loan to facilitate local infrastructure, construction and development of parcels of land in Yeerongpilly for low rise apartments and commercial buildings.
74. The increase is a result of realigning the contribution equity for the transfer of Coordinator-General's projects as part of the Machinery of Government transfer on 1 March 2011.
75. The increase reflects the loan repayments from the sale of land at Yeerongpilly during 2011-12.
76. The decrease relates to the deferral of returning contributions due to the delay in the sale of land which was to be acquired as part of the Surat Basin Railway Corridor.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
77. The decrease principally relates to the provisional decrease in funding for the NDRRA pending final assessment of funding requirements for 2011-12, reduced funding for the Local Government Grant and Subsidy programs and the Machinery of Government transfer on 1 March 2011. This is partially offset by increased funding for the Indigenous State Infrastructure program, the Priority Sewage Treatment Plant Upgrade program and additional funding for the State Planning program and for the Building Revival Forum outcomes.
78. The decrease principally relates to the Machinery of Government transfer on 1 March 2011. This is partially offset by revenue received on the sale of land at Yeerongpilly TOD.
79. The decrease principally relates to the Machinery of Government transfer on 1 March 2011.
80. The increase principally relates to the collection of Pool Safety licence fees following the introduction of the new pool safety standard.
81. The decrease principally relates to the Machinery of Government transfer on 1 March 2011.
82. This increase primarily reflects increased funding for the Indigenous State Infrastructure program, additional funding for the State Planning program and for the Building Revival Forum outcomes, and expenses incurred in the sale of land at Yeerongpilly TOD. This is partially offset by the Machinery of Government transfer on 1 March 2011.
83. The decrease principally relates to the provisional decrease in funding for the NDRRA pending final assessment of funding requirements for 2011-12 and the reduced funding for the Local Government Grants and Subsidies program. This is partially offset by increased funding for the Priority Sewage Treatment Plant Upgrade program.
84. The increase principally relates to the deposit received for the Curtis Island Environmental Precinct Land management program during 2010-11.
85. The decrease relates to the sale of land situated in the Mary Valley during 2010-11.
86. The decrease principally relates to the transfer of capital projects as part of the Machinery of Government transfer on 1 March 2011.
87. The increase reflects the drawdown of a loan to facilitate local infrastructure, construction and development of parcels of land in Yeerongpilly for low rise apartments and commercial buildings.
88. The decrease principally reflects the contribution received for the ULDA during 2010-11.
89. The increase reflects the loan repayments from the sale of land at Yeerongpilly during 2011-12.
90. The decrease principally reflects the contribution made to the ULDA during 2010-11.

Administered income statement

Major variations between 2010-11 Adjusted Budget and 2010-11 Estimated actual include:

91. The decrease primarily relates to the advance payment made in June 2010 for the Financial Assistance Grant (FAG) that applies to 2010-11. This decrease is partially offset by increased funding from the Australian Government for the FAG to local governments in 2010-11.
92. The decrease principally relates to advance payment of funding, which was made in June 2010, for FAG and the cessation of funding for the Queensland Water Infrastructure (QWI). This decrease is partially offset by increased funding from the Australian Government for the FAG to local governments in 2010-11.

Major variations between 2010-11 Adjusted Budget and 2011-12 Estimate include:

93. The increase primarily reflects projected annual adjustments to the calculation of funding for the Australian Government FAG to local governments.
94. The decrease primarily relates to the completion of funding for the payment of capital grants to QWI. This decrease is partially offset by an increase in the projected annual adjustments to the calculation of funding from the Australian Government FAG to local governments.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

95. The increase reflects the advance payment made in June 2010 for the FAG that decreased the 2010-11 Estimated actual.
96. The increase reflects the advance payment made in June 2010 for the FAG that decreased the 2010-11 Estimated actual.

Administered balance sheet

Major variations between 2010-11 Adjusted Budget and 2010-11 Estimated actual include:

97. The movement relates to Machinery of Government adjustments that were originally expected to have carried forward from 2009-10 to 2010-11 but were completed in 2009-10.

Major variations between 2010-11 Adjusted Budget and 2011-12 Estimate include:

98. The movement relates to Machinery of Government adjustments that were originally expected to have carried forward from 2009-10 to 2010-11 but were completed in 2009-10.

Administered cash flow statement

Major variations between 2010-11 Adjusted Budget and 2010-11 Estimated actual include:

99. The decrease primarily relates to the advance payment made in June 2010 for FAG and the cessation of the capital grants to Queensland Water Infrastructure. This decrease is partially offset by increased funding from the Australian Government for the FAG to local governments.
100. The decrease primarily relates to the advance payment made in June 2010 for the FAG, offset by increased funding from the Australian Government for the FAG to local governments.
101. The increase principally reflects input tax credits received during 2010-11.
102. The increase principally reflects payments to local governments during 2010-11.

Major variations between 2010-11 Adjusted Budget and 2011-12 Estimate include:

103. The decrease primarily relates to the completion of funding for the payment of capital grants to QWI. This decrease is partially offset by an increase in the projected annual adjustments to the calculation of funding from the Australian Government FAG to local governments.
104. The increase reflects projected annual adjustments to the calculation of funding from the Australian Government FAG to local governments.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

105. The increase reflects the advance payment made in June 2010 for the FAG that decreased the 2010-11 Estimated actual.
106. The increase reflects the advance payment made in June 2010 for the FAG that decreased the 2010-11 Estimated actual.
107. The decrease principally reflects input tax credits received during 2010-11.
108. The decrease principally reflects payments to local governments during 2010-11.

Statutory Body

Urban Land Development Authority

OVERVIEW

The ULDA is a planning and development body established in November 2007 to facilitate the release of urban land for development purposes and the provision of affordable housing.

In 2010-11 the ULDA has undergone considerable expansion with the number of declared Urban Development Areas (UDAs) increasing from seven to 14, including four new major greenfield communities.

By bringing land to market quickly, providing housing diversity, identifying and contributing to catalyst infrastructure, ensuring ecological sustainability, and delivering affordable housing, the ULDA contributes to all of the Government's *Toward Q2: Tomorrow's Queensland* ambitions.

REVIEW OF PERFORMANCE

Recent achievements

- Gazettal of development schemes for five UDAs in Clinton (Gladstone), Oonoonba (Townsville), Andergrove (Mackay), Roma and Woolloongabba.
- UDAs declared in Blackwater and Moranbah and proposed development schemes prepared, released for public notification and submitted to the government for approval.
- Greenfield UDAs declared in Ripley Valley, Yarrabilba, Greater Flagstone and Caloundra South and proposed development schemes prepared and released for public notification.
- Development continued at Fitzgibbon Chase with 200 homes completed or under construction in Stages 1 – 4 and civil works for Stages 5 and 6 underway.
- Development approval and civil works commenced for 187 dwellings in the first stage of residential developments in the Townsville, Mackay, Gladstone and Roma UDAs.
- 10 private sector development projects worth $1.4 billion approved and of these, six projects in Northshore Hamilton and Bowen Hills delivering more than 1,300 dwellings are underway, as well as approval of the master plan for the RNA Showground's $3 billion redevelopment.
- 720 dwellings meeting the ULDA affordable housing targets completed or under construction.
- Memoranda of Understanding or Joint Venture agreements signed with five local governments to establish and formalise their working relationships with the ULDA.

Future developments

- Completing the first stage of development in the Townsville, Mackay, Gladstone and Roma UDAs and the first residents moving into these new communities.
- Completing Stages 5 and 6 and the construction of the new $3.6 million Community Centre and commencing of Stages 7 and 8 at Fitzgibbon Chase.
- Commencing the ULDA's residential developments in Blackwater and Moranbah.
- Declaring a new UDA at Tannum Sands.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
	2,3	47.8	93.0	112.0

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. FTEs as at 30 June 2011 are estimated to be 93. This increase from 47.8 in the 2010-11 Budget is due to the number of Urban Development Areas (UDAs) increasing during 2010-11 from seven to fourteen UDAs and an increase in development projects from one to eight during 2010-11.
3. The 2011-12 Estimate of 112 is higher than prior years as additional development projects become fully operational and the ULDA is expected to have an increase in the number of UDAs.

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service standards				
Average number of days to process a development application.	1	New measure	New measure	37
Percentage of completed dwellings that are affordable for households on low to moderate incomes.	2	New measure	New measure	15%
State contribution ($000)	3	**2,500**	**2,500**	**..**
Other revenue ($000)	4	**72,283**	**54,660**	**147,957**
Total cost ($000)	5	**70,445**	**54,237**	**147,097**

Notes:
1. This is a measure of efficiency and applies to the decision making period undertaken by the ULDA to assess a development application upon receipt of all information required to make a determination. It does not include time taken by an applicant to respond to information requests from the ULDA as this is outside the control of the ULDA. It also does not include the public notification period of an application as this is a set statutory period and cannot be truncated to improve efficiency.
2. A key purpose of the *Urban Land Development Authority Act 2007 i*s to facilitate the provision of an ongoing supply of affordable housing for low to moderate income households. This is a measure of how effectively the ULDA is delivering on this purpose. The definition of low to moderate household incomes; the definition of affordable housing; and, the prices at which homes are considered affordable to rent and purchase have been outlined in the ULDA's Affordable Housing Strategy. This strategy can be accessed on the ULDA's website www.ulda.qld.gov.au.
3. Operational funding to the ULDA ceased in 2010-11.
4. Other revenue in 2010-11 is less than the original budget due to delays in development of land projects thereby reducing sales. In 2011-12 eight development projects will be generating land sales, increased from one project in 2010-11.
5. Delays in land development have resulted in reduced costs in 2010-11. The increase in 2011-12 is due to additional UDAs expected to be declared and additional land development projects being operational.

INCOME STATEMENT

Urban Land Development Authority	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
User charges	1,7,14	70,214	49,496	143,311
Grants and other contributions	2,8,15	4,477	6,754	3,745
Other revenue	3	92	910	901
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**74,783**	**57,160**	**147,957**
Expenses				
Employee expenses	4,9,16	6,806	9,602	14,836
Supplies and services	5,10,17	63,346	41,668	122,905
Grants and subsidies		..	..	..
Depreciation and amortisation		191	371	485
Finance/borrowing costs	11,18	..	113	903
Other expenses		102	155	218
Losses on sale/revaluation of property, plant and equipment and investments	6,12,19	..	2,328	7,750
Total expenses		**70,445**	**54,237**	**147,097**
Surplus or deficit before related income tax		**4,338**	**2,923**	**860**
Income tax expense/revenue	13,20	1,301	902	258
OPERATING SURPLUS/(DEFICIT)		**3,037**	**2,021**	**602**

STATEMENT OF CHANGES IN EQUITY

Urban Land Development Authority	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		3,037	2,021	602
Total recognised income and expense for the period		**..**	**..**	**..**
Equity injection/(withdrawal)		..	799	7,611
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**3,037**	**2,820**	**8,213**

BALANCE SHEET

Urban Land Development Authority	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	21,33,48	13	1,636	5,831
Receivables	34,49	410	295	1,062
Other financial assets		..	..	..
Inventories	22,35,50	144,180	135,822	154,505
Other	23,36	4,900	120	100
Non-financial assets held for sale		..	..	..
Total current assets		**149,503**	**137,873**	**161,498**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	24,37,51	6,836	36,800	33,187
Investment property	25,38	218,421	194,466	194,466
Intangibles		..	..	..
Other	26,39	..	6,746	6,746
Total non-current assets		**225,257**	**238,012**	**234,399**
TOTAL ASSETS		**374,760**	**375,885**	**395,897**
CURRENT LIABILITIES				
Payables	27,40,52	3,442	9,056	16,503
Accrued employee benefits		598	1,203	1,540
Interest-bearing liabilities and derivatives	28,41,53	21,971	38,789	36,575
Current tax liabilities		1,301	902	258
Provisions	29,42	9,143	15,253	15,843
Other		..	..	..
Total current liabilities		**36,455**	**65,203**	**70,719**
NON-CURRENT LIABILITIES				
Payables	43,54	..	..	14,545
Accrued employee benefits		150	167	373
Interest-bearing liabilities and derivatives	28,44,55	34,605	47,395	39,110
Provisions	30	1,853	..	..
Other	31,45	..	52,528	52,528
Total non-current liabilities		**36,608**	**100,090**	**106,556**
TOTAL LIABILITIES		**73,063**	**165,293**	**177,275**
NET ASSETS/(LIABILITIES)		**301,697**	**210,592**	**218,622**
EQUITY				
Capital/contributed equity	46,56	296,000	296,799	304,227
Accumulated surplus/(accumulated deficit)	32,47	5,697	(86,207)	(85,605)
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**301,697**	**210,592**	**218,622**

CASH FLOW STATEMENT

Urban Land Development Authority	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges	57,65,73	69,989	49,650	143,296
Grants and other contributions	58	4,477	6,754	3,745
Other		147	992	(551)
Outflows:				
Employee costs	59,66	(6,227)	(8,584)	(14,293)
Supplies and services	60,67,74	(83,401)	(91,480)	(121,054)
Borrowing costs		1,505	2,217	(1,335)
Other		(2,735)	(1,238)	3,035
Net cash provided by/(used in) operating activities		**(16,245)**	**(41,689)**	**12,843**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment	61,68	..	2,438	1,649
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	62,69,75	(3,480)	(14,874)	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(3,480)**	**(12,436)**	**1,649**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings	70,76	70,774	69,815	132,979
Equity injections	63,71,77	..	799	7,611
Outflows:				
Borrowing redemptions	64,72,78	(54,946)	(25,137)	(150,704)
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**15,828**	**45,477**	**(10,114)**
Net increase/(decrease) in cash held		**(3,897)**	**(8,648)**	**4,195**
Cash at the beginning of financial year		**3,910**	**10,284**	**1,636**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**13**	**1,636**	**5,831**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. User charges are less than budget due to delays in development of land projects thereby reducing sales.
2. The increase is due to additional grants received from State Government for affordable housing projects in regional Queensland.
3. The increase is due to additional interest received on higher cash holdings.
4. Higher employee expenses were incurred due to appointment of additional permanent staff for additional planning and development projects that the ULDA undertook during 2010-11.
5. Delays in development have resulted in reduced supplies and services, in particular the cost attributed to land sold.
6. The increase is due to the transfer of assets at Northshore Hamilton to the Brisbane City Council under an agreement with the former land owner Port of Brisbane Corporation (POBC).

Major variations between 2010-11 Budget and 2011-12 Estimate include:

7. The increase is due to higher sales resulting from eight projects being undertaken in 2011-12 compared with one project in 2010-11.
8. The decrease is due to the ceasing of State funding in 2010-11.
9. Higher employee expenses will be incurred due to the appointment of additional staff to undertake additional planning and development activity.
10. Increased development activity will result in additional supplies and services, in particular cost attributed to land sales.
11. The ULDA will incur interest on loans with Queensland Treasury Corporation (QTC) for operational overheads.
12. The increase is due to the transfer of assets at Northshore Hamilton to the Brisbane City Council under an agreement with the former land owner POBC and the disposal of assets at Fitzgibbon.
13. The decrease is due to reduced profit estimates for 2011-12.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

14. The ULDA has projected eight operational land development projects in 2011-12, generating increased sales.
15. The decrease is due to the ceasing of State funding in 2010-11.
16. Higher employee expenses will be incurred due to the appointment of additional staff to undertake additional planning and development activity in 2011-12.
17. Increased development activity will result in additional supplies and services costs including costs attributed to land sales.
18. The ULDA will incur interest on its loans with QTC to fund operational overheads.
19. The increase is due to the transfer of assets at Northshore Hamilton to the Brisbane City Council under an agreement with the former land owner POBC and the disposal of assets at Fitzgibbon.
20. The decrease is due to the reduced profit estimates for 2011-12.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

21. Estimated cash assets will be higher due to timing differences in paying for land development project costs.
22. Delays in the development of land projects has resulted in reduced land inventories being held.
23. The decrease is due to the adjustment of an asset from POBC to the income statement not in original budget.
24. The increase is due to the completion of a citycat terminal at Northshore Hamilton and other infrastructure works not previously included in the original budget.
25. Investment property transferred from POBC adjusted against the income statement was not included in original budget.
26. The increase is due to assets transferred to the ULDA from POBC having a deferred tax asset not previously included in original budget.
27. Increased development activity has resulted in higher payables owing to contractors.
28. The increased interest bearing liability is due to the increased number of development projects which are debt financed and delays in sales.
29. The increase in provisions is due to higher competitive neutrality fees and infrastructure contributions due to be received in 2010-11.
30. The non-current provision for competitive neutrality funds has been reclassified as a current provision in the 2010-11 Estimated Actual.
31. Deferred tax liabilities transferred from POBC were not included in the original budget.
32. Assets transferred from POBC were adjusted against the income statement in 2009-10 thereby affecting the accumulated deficit in the Estimated Actual.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

33. The increase is due to increased sales and timing differences for land development project costs.
34. The increase is due to the Goods and Services Tax refunds being higher due to increased development costs.
35. Inventories on hand will increase in 2011-12 due to increased development activity.
36. The decrease is due to the adjustment of an asset from POBC to the income statement in 2010-11.
37. The increase is due to the completion of a citycat terminal at Northshore Hamilton and associated infrastructure.
38. Investment property transferred from POBC adjusted against the income statement was not included in original budget.
39. This increase is due to assets transferred to the ULDA from POBC having a deferred tax asset not previously included in the original budget.
40. Payables will be higher due to delays in the payment of land development project costs.
41. Increased interest bearing liability is due to the increased number of development projects which are debt financed and delays in sales.
42. The increase in provisions is due to higher competitive neutrality fees and infrastructure contributions.
43. The increase in non-current payables is due to the deferred payment for land for a regional UDA.
44. The increase is due to the increased number of development projects which are debt financed and delays in sales.
45. The increase refers to deferred tax liabilities transferred from POBC not recognised in the original budget.
46. Increases in contributed equity are due to competitive neutrality fees and National Tax Equivalent Regime (NTER) funds being retained by the ULDA for future affordable housing projects.

47. Assets transferred from POBC were adjusted against the income statement in 2009-10 thereby affecting the accumulated deficit in the original budget.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
48. The increase is due to increased sales and timing differences for land development project costs.
49. The increase is due to the Goods and Services Tax refunds being higher due to increased development costs.
50. The increase is due to additional development projects which will increase land inventories.
51. The decrease is due to the transfer of assets at Northshore Hamilton to the Brisbane City Council under an agreement with the former land owner POBC.
52. Deferred land payments for development projects in regional UDAs and increased land development projects results in higher payables in 2011-12.
53. The decrease is due to the repayment of loans for development projects as the sale of land occurs.
54. Payables in 2011-12 include deferred land payments for projects in regional UDAs.
55. The decrease is due to the repayment of loans for development projects as the sale of land occurs.
56. Increases in contributed equity are due to competitive neutrality fees and NTER funds being retained by the ULDA for future affordable housing projects.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
57. User charges are less than original budget due to delays in development of land project thereby reducing sales.
58. Additional grants received from State Government for affordable housing projects in regional Queensland not in original budget.
59. Higher employee expenses were incurred due to appointment of additional permanent staff not originally budgeted. This resulted from additional planning and development projects that the ULDA undertook during 2010-11.
60. Increased supplies and services occurred due to increased planning and development activity as a result of the declaration of additional UDAs during 2010-11.
61. The ULDA expects to sell the community centre at Fitzgibbon.
62. The increase is due to the completion of a citycat terminal at Northshore Hamilton and other infrastructure works not previously included in the original budget.
63. Increased equity injections are due to competitive neutrality fees and NTER funds being retained by the ULDA for future affordable housing projects.
64. Reduced borrowing redemptions will occur due to delays in sales thereby reducing repayments.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
65. In 2011-12 there will be eight projects generating sales compared to one in 2010-11.
66. Higher employee expenses will be incurred due to appointment of additional staff to cater for additional planning and development activity that the ULDA will undertake in 2011-12.
67. Increased supplies and services will occur in 2011-12 due to increased planning and development activity.
68. The ULDA has a contractual obligation to transfer certain assets to the Brisbane City Council.
69. The ULDA does not anticipate any acquisitions of property plant and equipment in 2011-12.
70. Increased borrowings will occur due to increased activity for land development projects.
71. Increased equity injections are projected due to competitive neutrality fees and National Tax Equivalent Regime (NTER) funds being retained by the ULDA for future affordable housing projects which increase significantly in 2011-12.
72. The increase in repayment of loans is due to higher sales of land expected in 2011-12.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
73. The increase is due to increased sales and timing differences for land development project costs.
74. Additional infrastructure works will be completed in 2011-12.
75. The ULDA does not anticipate any acquisitions of property plant and equipment in 2011-12.
76. Increased borrowings will occur due to increased activity for land development projects.
77. Increased equity injections are projected due to competitive neutrality fees and NTER funds being retained by the ULDA for future affordable housing projects which increase significantly in 2011-12
78. The increase in repayment of loans is due to higher sales of land expected in 2011-12.

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PART 10

Department of Transport and Main Roads

Summary of departmental portfolio budgets

Page	Agency	2010-11 Budget $'000	2010-11 Est. actual $'000	2011-12 Estimate $'000
2-116	Department of Transport and Main Roads - controlled	3,655,789	4,017,804	4,467,818
	Department of Transport and Main Roads - administered	992,722	1,075,976	1,071,422
2-138	RoadTek	488,083	644,836	688,999
2-145	TransLink Transit Authority	1,383,804	1,384,687	1,514,129

Note:
1. Explanations of variances are provided in the financial statements.

DEPARTMENTAL OVERVIEW

MINISTERIAL RESPONSIBILITY

The Minister for Transport and Multicultural Affairs and the Minister for Main Roads, Fisheries and Marine Infrastructure are responsible respectively for the transport and roads functions of the Department of Transport and Main Roads.

STRATEGIC ISSUES

The department's purpose is to plan, deliver and manage a transport system that connects Queensland.

A well-developed integrated transport system is essential to the continued growth and maintenance of a healthy robust economy – connecting communities, providing access to services and supporting the conduct of commerce and industry throughout the State. The objectives of the department as stated in the *Transport and Main Roads Corporate Plan 2011- 2015* are:

- inclusive transport services linking people to employment, education, services and their communities
- a sustainable transport system which promotes economic growth and enhances liveability
- a safe transport system leading to improved health and wellbeing for Queenslanders
- transport-related impacts on the natural, cultural and built environments managed for the community
- enhanced capability of people involved in the transport, logistics and supply chain industry
- enhanced leadership and stakeholder relationships, improving transport outcomes for Queensland
- contemporary people, processes and systems, enabling us to achieve our corporate objectives.

Working to achieve these objectives assists the department to respond to a range of strategic challenges:

- provide transport options to achieve economic and social outcomes across a resilient transport system
- increase people's knowledge and understanding about transport system policies and investment choices
- ensure the department's contribution to Queensland's economy remains a key driver of decision making
- manage the impacts of climate change on the transport system
- encourage the uptake of vehicles, or travel alternatives, that increase resilience to rising oil prices and reduce emissions
- enhance capability and capacity of the department and the transport and logistics-related industries.

The department is committed to addressing the following priorities:

- deliver our programs and services
- improve investment decisions to make the best use of available resources to support Queensland's economic development and quality of life
- engage community and stakeholders about choices to be made within the transport system
- increase the preparedness and resilience of the transport system to significant events

- embrace current and emerging technologies to improve the transport system and customer service
- create an organisation and workforce that leads transportation into the future
- ensure safety underpins everything we do.

The department contributes to all five of the *Toward Q2: Tomorrow's Queensland* ambitions (strong, green, smart, healthy and fair) as outlined in the Corporate Plan 2011- 2015.

2011-12 HIGHLIGHTS

Significant activities provided for in the 2011-12 Budget include:

- delivery of the Transport Network Reconstruction Program by the newly-established State-wide Program Office that will manage the enormous task of delivering the department's reconstruction efforts following the flooding and cyclone events across the State in the 2010-11 summer. Projects funded under the program for 2011-12 include:
  - national highway freight access project – Warrego and Landsborough Highways;
  - cotton industry freight access for roads around St. George;
  - Bruce Highway repairs between Gin Gin and Benaraby;
  - reconstruction of sections of the Peak Downs Highway; and
  - West Moreton Coal System (including Toowoomba Range).
- continued construction of the Gold Coast Rapid Transit System, a light rail project from Southport to Broadbeach
- commence construction of a new dual track rail line from Richlands to Springfield, including new stations at Springfield and Springfield Lakes
- continued construction of the Keperra to Ferny Grove duplication and Ferny Grove Station upgrade
- continued development of marine infrastructure to enhance the safety of vessels and their operations in an environment of significant growth
- continued development and implementation of the Vessel Traffic Service strategy that addresses current and anticipated port developments like those resulting from the LNG industry in Gladstone
- continued construction of the Northern Busway between Enoggera Creek and Kedron extending the existing busway from the Royal Brisbane Women's Hospital to Sadlier Street, Kedron
- completion of the Eastern Busway between the South East Busway and Main Avenue including bus stations at Stones Corner and Langlands Park
- commence work on the City Place Bus Station in Cairns, as a part of the Cairns Transit Mall and Public Transport Network Upgrade
- construction of 60 new bus stops at Barron River
- installation of additional noise barriers along the rail corridor from Yeerongpilly to Corinda as identified in the Network Noise Management Plan
- completion of construction of the Townsville Marine Precinct at the Port of Townsville to provide a dedicated marine facility for the local industrial and commercial marine industries
- continued upgrading Berth 10 at the Port of Townsville to better accommodate the Royal Australian Navy and cruise vessels in the Townsville Ocean Terminal
- upgrading of the Bruce Highway between Ingham and Innisfail on the Cardwell Range
- commence construction of overtaking lanes on the Bruce Highway from Bajool to Gavial between Benaraby and Rockhampton
- continued upgrading of the Ipswich Motorway between Dinmore and Goodna

- continued upgrading of the Port of Brisbane Motorway (Port Connect) duplication of the existing two-lane motorway and construction of a three kilometre extension from the Gateway Motorway to Pritchard Street
- commence duplication from two to four lanes at Temples Lane-Farrellys Lane, on the southern approach to Mackay
- completion of the widening to four lanes of the Douglas Arterial on the Bruce Highway (Townsville Ring Road)
- continued upgrading of the Pacific Motorway between Springwood South and Daisy Hill
- completion of widening the Pacific Motorway from four to six lanes between Nerang and Stewart Road
- continued upgrading of the Bruce Highway (Cooroy to Curra) from Sankeys Road to Traveston Road
- continued pavement widening and culvert repairs and replacements on various sections of the Eidsvold to Theodore Road
- continued widening of sections of the Warrego Highway between Roma and Mitchell
- continued upgrading of the Kennedy Developmental Road between Hughenden and Winton
- continued construction of new recreational boating facilities across the State to ensure that future infrastructure demands can be met as the recreational boating population continues to grow
- commence early works of the Moreton Bay Rail Link with the first trains expected to start operating in 2016
- launching the *2011-2021 Queensland Road Safety Strategy* aligning Queensland with the new *National Road Safety Strategy 2011-2020* and setting the strategic direction to reduce the State's road toll
- implementation of a range of initiatives in the *Queensland Taxi Strategic Plan 2010-2015*
- continue to host the National Heavy Vehicle Regulator, as a new body to regulate the licensing, registration and use of all Australian road vehicles larger than 4.5 tonnes from 1 January 2013, under a single national system of laws
- continuation of a program to introduce upgraded vehicles into school bus fleets across Queensland
- continued rollout of New Queensland Driver Licence equipment to approximately 223 licence issuing centres across Queensland, expected to be completed by mid 2012
- continued roll out of the TravelSmart Schools program to over 100 schools to provide opportunities for students to develop life long sustainable travel habits travel, promote greener, healthier travel to and from school, and to reduce traffic congestion in the school environment
- introducing new arrangements for commercial management of advertising billboards in State-controlled road corridors with revenue used to improve road safety outcomes
- continued delivery of new cycleway projects including the Cairns to Aeroglen Cycleway in co-operation with Cairns City Council and the ongoing investment in cycle infrastructure in South East Queensland through the Cycle Network Program
- offering up to five year 12 students scholarships in science and engineering based fields as part of the ongoing Indigenous Scholarship Scheme helping to 'close the gap' for indigenous students.

The department will maintain its proud record of delivering Government objectives efficiently and effectively while achieving its purpose to plan, deliver and manage a transport system that connects Queensland. All department projects and activities will contribute directly to improving transport safety.

RECENT ACHIEVEMENTS

The department played a lead role in reconnecting Queensland both during and after the unprecedented flooding and cyclone events across the State in the 2010-11 summer. Officers from the department worked around the clock:

- re-opening the majority of the 155 roads (9,170km) severed by flooding and damage with crews working to make the network safe and ensure emergency bulk water, food and fuel could get through to communities
- establishing a "one stop shop line" to provide help and information to road freight operators and primary producers trying to move goods around flooded or damaged roads
- coordinating specialist teams to help local councils assess damage and plan their recovery efforts
- working with local port authorities to survey affected waterways, clear dangerous underwater debris and get shipping operations up and running again
- assisting TransLink and Queensland Rail to ensure that passenger and freight transport services resumed as quickly as possible allowing people and vital supplies to move around the State
- ensuring all department customer service centres were open by 17 January 2011.

The day-to-day work of the department during 2010-11 continued to achieve strong results:

- successfully rolled out the New Queensland Driver Licence to a number of Transport and Main Roads and Queensland Police Service driver licence issuing sites with approximately 35,000 new licences issued by the end of May 2011
- signing of a public private partnership to build and operate the Gold Coast Rapid Transit project
- provided 15 new, supervised road crossings across 14 Queensland schools, employing up to 40 crossing supervisors
- provided more than $7 million to support 21 airport infrastructure projects in rural and remote areas through the Regional Airport Development Scheme
- continued improving access to information on transport services to Queenslanders from culturally diverse communities through the *Transport and Main Roads Multicultural Action Plan 2009-12*
- invested in excess of $20 million through the School Bus Upgrade Scheme to replace over 150 older buses across Queensland
- improved the quality of life for people with a disability and who experience profound difficulties using other modes of public transport by providing over $14 million in taxi subsidies
- released the *Queensland Taxi Strategic Plan 2010-2015* and implemented or significantly progressed those of the 47 actions within the plan that have the highest priority
- implemented the Regional Safety and Development Program that provides $143.4 million of additional funding during 2010-11 to 2013-14 for the upgrade of the regional road network
- released the *Transport and Main Roads Reconciliation Action Plan 2010-2012* to deliver outcomes from the *Queensland Reconciliation Action Plan* and Council of Australian Governments *Closing the Gap* initiative in partnership with Reconciliation Australia
- delivered TravelSmart Communities, the world's largest travel behaviour change project across Brisbane South, Gold Coast, Sunshine Coast and Caboolture to promote more active and sustainable transport options

- delivered the TravelSmart Schools project across 35 schools in Queensland to assist school communities to ease school-related congestion and increase physical activity levels by adopting sustainable modes of travel such as walking, cycling, carpooling and public transport
- released the draft *Integrated Freight Strategy for Queensland*. This draft strategy will enhance Queensland's ability to respond to future freight growth and the associated issues, challenges and opportunities
- completed the Australian Government funded Boom Gates for Level Crossings Program improving safety for both road and rail users at all 66 high priority crossings
- completed $3.3 million of works to stabilise areas of the Kuranda Range rail corridor with a high risk of land slides and rock falls
- completed a $13.6 million refurbishment of the historical Cairns Cruise Liner Terminal and the CityPort district which contributes to tourism in the Cairns region
- introduced a Mobile Customer Service Facility to support the department's customer service delivery functions across the State and to improve remote service delivery
- processed approximately 13 million Customer Service Centre transactions recording good customer satisfaction levels, scoring 7.9 out of 10 in the latest customer survey
- completed the Corinda to Darra Rail Upgrade, which built 5.2 km of additional track between Corinda and Darra stations on the Ipswich line and provided upgrades for Oxley and Darra stations
- introduced Alcohol Interlocks Program to protect lives by keeping serious drink drivers off the road
- signing of the Inter-governmental Agreement on 3 December 2010 for the Moreton Bay Rail Link Project which will deliver a 12.6 km dual-track passenger rail line between Petrie and Kippa-Ring, including six new rail stations at Kallangur, Murrumba Downs, Mango Hill, Kinsellas Road, Rothwell and Kippa-Ring
- completed duplication of the Centenary Motorway from the Ipswich Motorway at Darra to the Logan Motorway at Carole Park, and construction of the new rail section at Richlands, including a new rail connection from Darra to a new station at Richlands
- completed the Abbot Point Coal Terminal X50 Expansion, which increased the capacity of the terminal to 50 million tonnes per annum
- completed widening and sealing of 21.5 km of the Gulf Developmental Road, east of Mount Surprise
- completed paving and sealing of a 15 km section of the Wills Developmental Road (Julia Creek-Burketown), north of Gregory
- completed construction of a deviation to a sealed standard on Rockleigh-North Mackay Road, between Sams Road and Barnes Creek Road (Joint Levee Road), Mackay
- completed widening and sealing road shoulders on Wivenhoe-Somerset Road at Wivenhoe Dam
- completed duplication of the Steve Irwin Way between Landsborough and the Bruce Highway
- completed pavement widening and rehabilitation on Eumundi - Kenilworth Road between Archer Road and Belli Creek Bridge
- provided funding of $66 million as part of the Safer Roads Sooner initiative, which ensures road safety funding is spent where it will make the greatest difference in addressing fatal and serious injury road crashes
- completed construction of 13 bridges as part of the Regional Bridge Renewal Program
- upgraded and funded a range of recreational boating facilities including the $3.2 million disability-friendly One Mile pontoon on North Stradbroke Island and the $2.2 million Engineers Jetty on Thursday Island

- initiated the Gold Coast Boating Safety Initiative in relation to jet skis to measure vessel activity; identify and target unsafe behaviours on the waterways of the Gold Coast; and develop a range of interventions to minimise the likelihood of marine incidents
- received industry recognition at the 2010 Planning Institute of Australia (Queensland) Awards, 2010 Consult Australia Awards and the 2010 Gold Quill Awards for our planning excellence for the Cairns Transit Network, Western Brisbane Transport Network Investigation and Land Use and Public Transport Accessibility Index projects
- released the draft *Connecting SEQ 2031: An Integrated Regional Transport Plan for South East Queensland*. This plan is a 21-year regional transport plan that serves the long-term needs of the people living, working, recreating and conducting business in south east Queensland
- developed common emergency management processes based around departmental organisational risk assessments and delivered an educational program to enhance our resilience and capability delivering services during emergent events.

DEPARTMENTAL SERVICES

Transport system planning

The objective of this service area is to plan the effective, efficient and sustainable delivery of integrated transport infrastructure, systems and services. Responsible transport system planning ensures that Queensland's long-term road, rail, maritime and air transport needs are met and that other development impacts are managed. Transport and Main Roads' activities under this service support:

- growing communities and the rapidly increasing freight task
- continued economic development opportunities across the State
- appropriate responses to long-term demand drivers relevant to the transport system.

This service contributes to the Queensland Government ambitions of:

- Strong - *Creating a diverse economy powered by bright ideas*
- Green - *Protecting our lifestyle and environment*
- Fair - *Supporting safe and caring communities*.

Investment and program development

The objective of this service area is to ensure balanced investment between enhancement work and funding for maintenance, preservation and operations. This is done through the development of the Transport Infrastructure Portfolio Strategy (TIPS) that identifies and prioritises transport system investments and ensures that predicted investment benefits are delivered. Based on the TIPS, a four-year forward program of works covering all infrastructure investment, the Queensland Transport and Roads Investment Program, is developed and managed.

This service contributes to the Queensland Government ambitions of:

- Strong - *Creating a diverse economy powered by bright ideas*
- Green - *Protecting our lifestyle and environment*
- Fair - *Supporting safe and caring communities*.

Transport infrastructure delivery

The objective of this service area is to deliver transport infrastructure projects that provide a safe, efficient and reliable transport system while ensuring value for money. It includes delivery of infrastructure maintenance activities and the four-year program of overall works outlined in the Queensland Transport and Roads Investment Program.

This service contributes to the Queensland Government ambitions of:
- Strong - *Creating a diverse economy powered by bright* ideas
- Green - *Protecting our lifestyle and environment*
- Fair - *Supporting safe and caring communities*.

Transport system management, operation and regulation

The objective of this service area is to improve public transport and to manage the transport system safely and sustainably by:
- regulating transport providers and markets
- delivering licensing, registration and accreditation services
- providing subsidies for fair access to public transport
- supporting increasing public transport patronage
- managing the movement of vessels using Queensland's waterways
- managing traffic operations, traffic and traveller information, traffic incidents, heavy vehicles, third party road corridor access, and the environment in the road corridor.

This service area contributes to the Queensland Government ambitions of:
- Strong - *Creating a diverse economy powered by bright ideas*
- Green - *Protecting our lifestyle and environment*
- Healthy - *Making Queenslanders Australia's healthiest people*
- Fair - *Supporting safe and caring communities*.

Transport safety

The objective of this service area is to provide policies, education programs, compliance activity, engineering treatments and funding support that promote and influence safe, efficient and sustainable use of the transport system.

This service area contributes to the Queensland Government ambitions of:
- Strong - *Creating a diverse economy powered by bright ideas*
- Green - *Protecting our lifestyle and environment*
- Healthy - *Making Queenslanders Australia's healthiest people*
- Fair - *Supporting safe and caring communities*
- Smart - *Delivering world-class education and training*.

STAFFING[1,2]

Service areas	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
Services	3,4			
Transport system planning		589	584	584
Investment and program development		436	432	432
Transport infrastructure delivery		1,614	1,600	1,600
Transport system management, operation and regulation		3,048	3,022	3,027
Transport safety		1,521	1,508	1,508
Total services		**7,207**	**7,146**	**7,151**
BUSINESS UNITS		..	..	..
RoadTek	5	1,703	1,727	1,867
Total business units		**1,703**	**1,727**	**1,867**
Total		**8,910**	**8,873**	**9,018**

Notes:
1. Average full-time equivalents (FTEs) over the 12 months to 30 June.
2. Transport and Main Roads has a large part-time and casual workforce. The 2011-12 Estimated actual head count is 10,774.
3. Corporate FTEs are allocated across the services to which they relate.
4. The published 2010-11 staffing numbers have been reallocated across the new department services.
5. Increased staff numbers in 2011-12 are required to support disaster reconstruction work.

2011-12 SERVICE SUMMARY[1]

Service areas	Total cost $'000	Sources of revenue			
		State Contribution $'000	User charges $'000	C'wealth revenue $'000	Other revenue $'000
Transport system planning	137,843	124,826	11,058	1,233	726
Investment and program development	59,450	39,052	4,830	..	15,568
Transport infrastructure delivery	3,025,559	2,393,123	64,261	97,655	989,573
Transport system management, operation and regulation	1,078,971	908,046	88,467	3,116	79,342
Transport safety	165,995	143,227	20,034	..	2,734
Total	**4,467,818**	**3,608,274**	**188,650**	**102,004**	**1,087,943**

Note:
1. Explanations of variances are provided in the financial statements.

ADMINISTERED ITEMS

Administered activities are those undertaken by the department on behalf of the Government.

DESCRIPTION

The department administers and operates the State-wide driver licensing system, marine licensing system and vehicle and vessel registration systems. The aim of these activities is to manage access to, and use of, the transport network including protection of the network from misuse. In addition, government funding to support the TransLink Transit Authority is injected via an administered expense item.

REVIEW OF SERVICE PERFORMANCE

Recent achievements and emerging Issues

Major Revenue Items

Major administered revenue items for 2010-11 are:
- $1.327 billion for Vehicle Registration
- $260 million for Transport and Traffic Fees

Major Expense Items

Major administered expense item for 2010-11 is:
- $1.012 billion for TransLink Recurrent Grants

Future developments

Major Revenue Items

Major administered revenue items for 2011-12 are:
- $1.380 billion for Vehicle Registration
- $298 million for Transport and Traffic Fees

Major Expense Items

Major administered expense item for 2011-12 is:
- $1.069 billion for TransLink Recurrent Grants

Financial statements and variance explanations in relation to Administered Items appear in the financial statements section.

DEPARTMENTAL STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Transport System Planning				
Service standards	1,2			
Other measures				
Percentage of integrated transport planning projects meeting milestones	T	90	88	90
State contribution ($000)		**121,259**	**123,939**	**124,826**
Other revenue ($000)		**11,441**	**11,579**	**13,017**
Total cost ($000)		**132,700**	**135,518**	**137,843**
Service Area: Investment and Program Development				
Service standards	1			
Road system seal age (percentage of the State-controlled road network exceeding the optimal seal age)	R,3	16 – 19	20	20
Road system condition (the percentage of urban and rural State-controlled roads with condition better than the specified benchmark)				
• urban	R,4	97 – 99	98	98
• rural		97 – 99	95	95
State contribution ($000)		**37,383**	**37,977**	**39,052**
Other revenue ($000)		**19,712**	**20,338**	**20,398**
Total cost ($000)		**57,095**	**58,315**	**59,450**
Service Area: Transport Infrastructure Delivery				
	2			
Service standards				
Percentage of major construction projects (road)	R			
• for which construction commenced no later than four months after the programmed commencement date	5	90	72	90
• completed no more than 10% after the programmed construction period	5	90	71	90
• costing less than 10% over the programmed estimate		90	90	90
Other measures				
Number of significant environmental incidents at road projects investigated by regulatory agencies	R	..	3	0
Bikeways – kilometres completed	R	41	45	45
State contribution ($000)		**2,205,258**	**2,287,239**	**2,393,123**
Other revenue ($000)		**173,529**	**382,229**	**1,151,489**
Total cost ($000)		**2,304,392**	**2,583,7001**	**3,025,559**

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Transport System Management, Operation and Regulation				
Service standards				
Road transport greenhouse gas emissions (CO_2 eq. tonnes per capita)	T	3.85	3.77	3.85
Road Network Performance – Efficiency (minutes per 10km):	R			
• AM Peak		N/A	11.2	11.2
• Off Peak			9.7	9.7
• PM Peak			11.5	11.5
Road Network Performance – Reliability (Travel speed):	R			
• AM Peak		N/A	83%	83%
• Off Peak			97%	97%
• PM Peak			80%	80%
Road Network Performance - Productivity (Travel speed & flow):	R			
• AM Peak		N/A	76%	76%
• Off Peak			82%	82%
• PM Peak			74%	74%
Percentage of vessel movements without serious incidents:	R			
• Pilotage areas		99.8	99.8	99.8
• ReefVTS area		99.8	99.8	99.8
Wheelchair accessible taxi response times compared to conventional taxi fleet response times:	T			
Peak				
– Within 18 minutes				
○ Conventional		85%	92.9%	85%
○ Wheelchair		85%	82.4%	85%
– Within 30 minutes				
○ Conventional		95%	97.7%	95%
○ Wheelchair		95%	92.3%	95%
Off Peak				
– Within 10 minutes				
○ Conventional		85%	82.2%	85%
○ Wheelchair	6	85%	68.5%	85%
– Within 20 minutes				
○ Conventional		95%	95.7%	95%
○ Wheelchair	6	95%	86.2%	95%
Average subsidy per trip provided through the Taxi Subsidy Scheme	T	$8.71	$7.84	$8.23
User satisfaction ratings for public transport by service type (on a 1-100 scale):	T			
• Regional urban bus (Government contracted)		65	70	70
• Taxi		65	63	70

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Average subsidy per passenger on Government contracted:	T			
• regional air services	7	$38.38	$33.00	$32.02
• long distance bus services		$30.00	$32.00	$30.00
• regional urban bus services		$2.22	$2.45	$2.43
• Traveltrain	8	$311.66	$345.03	$325.20
Average wait time in Customer Service Centres (minutes)	T	10	9.4	10
Other measures				
Percentage of call centre calls answered within three minutes	T,9	80	70.5	80
Officer hours preparing for ship-sourced pollution incidents	R	10,000	10,000	10,000
Number of compliance actions taken for maritime breaches	R	10,500	10,500	11,000
Percentage of time international standards for Aids to Navigation are met	R	95	98	95
Percentage of commercial and fishing ship applications responded to within statutory requirement:	R			
• licensing		95	95	100
• registration		95	97	100
Percentage of commercial vessels rated in need of very high monitoring priority	R	0.5	0.5	0.5
Patronage on Government contracted:	T			
• regional air services		240,000	275,250	288,500
• long distance bus services	10	135,000	103,000	114,000
• regional urban bus services	10	12,700,000	12,400,000	12,700,000
• Traveltrain services	10	446,000	410,000	435,000
State contribution ($000)		**853,951**	**908,991**	**908,046**
Other revenue ($000)		**146,606**	**168,988**	**170,925**
Total cost ($000)		**1,000,557**	**1,077,979**	**1,078,971**
Service Area: Transport Safety				
Service standards	1			
Marine fatalities per 100,000 registered vessels	R,11	5.3	6.06	6.06
Rail fatalities per 100,000 population	T	0.10	0.09	0.10
Hospitalised rail casualties per 100,000 population	T	0.40	0.35	0.40
Number of level crossing collision occurrences per 1,000,000 train kilometres travelled	T	0.45	0.30	0.45
Fatalities per 100,000 population on State-controlled roads	R	3.65	3.69	3.54

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Number of fatal crashes on State-controlled roads per 100 million vehicle kilometres travelled where the road condition was likely to be a contributing factor	R	N/A	0.05	0.05
Road fatalities per 100,000 population	T	7.25	5.54	6.25
Hospitalised road casualties per 100,000 population	T,12	N/A	N/A	150
Other measures				
Percentage of people in target audience who have high-level awareness of road safety campaigns	T	90	95	90
State contribution ($000)		**139,783**	**139,758**	**143,227**
Other revenue ($000)		**21,261**	**22,534**	**22,768**
Total cost ($000)		**161,044**	**162,292**	**165,995**

Notes:
R Denotes service standards and other measures for the Minister for Main Roads, Fisheries and Marine Infrastructure.
T Denotes service standards and other measures for the Minister for Transport and Multicultural Affairs.
1. A suitable measure of efficiency is currently being investigated.
2. A suitable measure of effectiveness is currently being investigated.
3. The 2010-11 Estimated actual figure is outside the 2010-11 target range and with the long term impact of summer flooding on the road network still being assessed, it is expected that maintaining the percentage at 20% in 2011-12 will be a challenge.
4. The impact of summer flooding on the rural road network is still being assessed and the deterioration of affected sections is likely to continue over a longer term. It is expected that maintaining the percentage at 95% in 2011-12 will be a challenge.
5. The 2010-11 Estimated actual is less than the target, primarily as a result of the severe weather events throughout the State during December 2010 and January 2011, together with the prolonged wet season, that has resulted in resource constraints, project deferrals, and delays.
6. The Queensland taxi fleet consists of 3,254 taxis of which 633 (19.5%) are wheelchair accessible taxis. During off-peak periods there may be fewer wheelchair accessible taxis on the road and drivers are often required to travel greater distances to reach destinations.
7. Subsidy per passenger is declining on a number of routes over time due to increased patronage.
8. Subsidy per passenger is increasing over time due to higher costs of running the service and lower patronage levels.
9. Service performance for the centre has been adversely affected by the impacts of natural disasters across much of Queensland during December 2010 and January 2011 and the ongoing effects of these disasters. This has been reflected by way of increased call volumes and longer calls following the disasters. The call centre took on additional functions to support the disaster recovery effort including the transfer of calls back to TMR from Smart Service Queensland. The outlook for the remainder of the financial year is for recovering service levels.
10. Patronage on these services is less than the 2010-11 Target/estimate due to the impact on services of extreme weather conditions across the state in the 2010-11 summer.
11. The 2010-11 Target/estimate was determined in April 2010 based on a historical rolling quarterly average model and did not include an abnormally high number of fatalities in the fourth quarter of 2009-10. The predictive model revises the 2011-12 Target/estimate upwards to 6.06.
12. Delays in receiving and processing data sets from reporting systems have impacted on the ability to report against this Service Standard.

INCOME STATEMENT

Department of Transport and Main Roads	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue	1,6	3,357,634	3,497,904	3,708,928
User charges		187,104	187,867	188,650
Grants and other contributions	2,7	48,031	275,184	950,929
Other revenue		134,914	140,117	135,864
Gains on sale/revaluation of property, plant and equipment and investments		2,500	2,500	2,500
Total income		**3,730,183**	**4,103,572**	**4,986,871**
Expenses				
Employee expenses	3,8	539,458	534,668	555,921
Supplies and services	4,9	930,477	1,130,809	1,493,576
Grants and subsidies	5	861,429	1,037,221	1,018,666
Depreciation and amortisation	10	912,920	903,854	984,191
Finance/borrowing costs		77,559	75,335	74,709
Other expenses		188,399	190,370	195,208
Losses on sale/revaluation of property, plant and equipment and investments		145,547	145,547	145,547
Total expenses		**3,655,789**	**4,017,804**	**4,467,818**
OPERATING SURPLUS/(DEFICIT)		**74,394**	**85,768**	**519,053**

STATEMENT OF CHANGES IN EQUITY

Department of Transport and Main Roads	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period	11	74,394	85,768	519,053
Total recognised income and expense for the period		**74,394**	**85,768**	**519,053**
Equity injection/(withdrawal)	12,13	2,433,147	1,689,330	2,108,831
Equity adjustments (MoG transfers)	14	..	(92,733)	..
Total movement in equity for period		**2,507,541**	**1,682,365**	**2,627,884**

BALANCE SHEET

Department of Transport and Main Roads	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	15	164,428	115,300	114,527
Receivables		210,028	222,262	223,256
Other financial assets		..	..	..
Inventories		14,390	15,282	15,402
Other	16	18,669	29,057	29,057
Non-financial assets held for sale		10	..	..
Total current assets		**407,525**	**381,901**	**382,242**
NON-CURRENT ASSETS				
Receivables		..	2	2
Other financial assets		237,869	235,421	235,421
Property, plant and equipment	17,23	50,658,778	46,797,297	49,449,112
Intangibles	24	141,089	141,679	190,367
Other		..	..	..
Total non-current assets		**51,037,736**	**47,174,399**	**49,874,902**
TOTAL ASSETS		**51,445,261**	**47,556,300**	**50,257,144**
CURRENT LIABILITIES				
Payables		882,794	877,672	881,576
Accrued employee benefits		27,119	24,535	24,535
Interest-bearing liabilities and derivatives		69,185	60,527	67,765
Provisions	18	..	1,596	1,596
Other		7,238	6,576	6,576
Total current liabilities		**986,336**	**970,906**	**982,048**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		5,845	6,241	6,241
Interest-bearing liabilities and derivatives	19,25	1,040,311	992,340	1,054,158
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**1,046,156**	**998,581**	**1,060,399**
TOTAL LIABILITIES		**2,032,492**	**1,969,487**	**2,042,447**
NET ASSETS/(LIABILITIES)		**49,412,769**	**45,586,813**	**48,214,697**
EQUITY				
Capital/contributed equity	20,26	49,325,324	48,489,778	50,598,609
Accumulated surplus/(accumulated deficit)	21,27	87,445	(2,923,883)	(2,404,830)
Reserves:				
- Asset revaluation surplus	22	..	20,918	20,918
- Other (specify)		..	..	..
TOTAL EQUITY		**49,412,769**	**45,586,813**	**48,214,697**

CASH FLOW STATEMENT

Department of Transport and Main Roads	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts	28,38	3,357,634	3,560,433	3,708,928
User charges		193,490	194,253	195,036
Grants and other contributions	29,39	48,031	275,184	952,929
Other		473,385	478,588	474,335
Outflows:				
Employee costs	30,40	(539,458)	(534,668)	(555,921)
Supplies and services	31,41	(1,459,478)	(1,714,160)	(2,020,628)
Grants and subsidies	32	(861,429)	(1,045,230)	(1,018,666)
Borrowing costs		(77,680)	(75,456)	(74,830)
Other		(20,566)	(22,707)	(19,324)
Net cash provided by/(used in) operating activities		**1,113,929**	**1,116,237**	**1,639,859**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		6,255	6,255	6,255
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	33,42	(3,553,458)	(2,860,447)	(3,824,774)
Payments for investments	43	(9,790)	(7,342)	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(3,556,993)**	**(2,861,534)**	**(3,818,519)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings	34,44	81,490	..	129,583
Equity injections	35,45	4,259,430	3,122,850	3,687,768
Outflows:				
Borrowing redemptions	36,46	(64,639)	(86,468)	(60,527)
Finance lease payments		..	..	..
Equity withdrawals	37,47	(1,826,283)	(1,423,520)	(1,578,937)
Net cash provided by/(used in) financing activities		**2,449,998**	**1,602,862**	**2,177,887**
Net increase/(decrease) in cash held		**6,934**	**(142,435)**	**(773)**
Cash at the beginning of financial year		**157,494**	**257,735**	**115,300**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**164,428**	**115,300**	**114,527**

ADMINISTERED INCOME STATEMENT

Department of Transport and Main Roads	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Revenues				
Commonwealth grants		..	..	..
Taxes, fees and fines	48,50	1,804,965	1,782,024	1,885,498
Royalties, property income and other territorial Revenue		..	..	..
Interest		25	25	26
Administered revenue	49	992,722	1,075,976	1,071,422
Other		5,888	5,888	6,098
Total revenues		**2,803,600**	**2,863,913**	**2,963,044**
Expenses				
Supplies and services		..	..	..
Depreciation and amortisation		..	..	..
Grants and subsidies	49	992,722	1,075,976	1,071,422
Benefit payments		..	..	..
Borrowing costs		..	..	..
Other		..	..	..
Total expenses		**992,722**	**1,075,976**	**1,071,422**
Net surplus or deficit before transfers to Government		**1,810,878**	**1,787,937**	**1,891,622**
Transfers of administered revenue to Government		**1,810,878**	**1,787,937**	**1,891,622**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

ADMINISTERED BALANCE SHEET

Department of Transport and Main Roads	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets		29,378	27,822	27,913
Receivables		35,050	37,197	37,298
Inventories		..	..	..
Other	51	118,010	..	..
Non-financial assets held for sale		..	..	..
Total current assets		**182,438**	**65,019**	**65,211**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	52	37,359	41,218	41,218
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**37,359**	**41,218**	**41,218**
TOTAL ADMINISTERED ASSETS		**219,797**	**106,237**	**106,429**
CURRENT LIABILITIES				
Payables	53	21,755	16,737	16,745
Transfers to Government payable	54	38,019	43,540	43,660
Interest-bearing liabilities		..	..	..
Other	51	122,430	4,508	4,572
Total current liabilities		**182,204**	**64,785**	**64,977**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Interest-bearing liabilities		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL ADMINISTERED LIABILITIES		**182,204**	**64,785**	**64,977**
ADMINISTERED NET ASSETS/(LIABILITIES)		**37,593**	**41,452**	**41,452**
EQUITY				
Capital/Contributed equity		35,996	38,691	38,691
Accumulated surplus/(Accumulated deficit)		..	..	..
Reserves:				
- Asset revaluation surplus		1,597	2,761	2,761
- Other (specify)		..	..	..
TOTAL ADMINISTERED EQUITY		**37,593**	**41,452**	**41,452**

ADMINISTERED CASH FLOW STATEMENT

Department of Transport and Main Roads	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Administered item receipts	55,58	992,722	1,075,976	1,071,422
Grants and other contributions		..	..	..
Taxes, fees and fines	56,59	1,804,965	1,782,024	1,885,498
Royalties, property income and other territorial revenues		..	..	..
Other		8,356	8,356	8,567
Outflows:				
Transfers to Government	56,59	(1,810,758)	(1,787,817)	(1,891,502)
Grants and subsidies	55,58	(992,722)	(1,075,976)	(1,071,422)
Supplies and services		20	20	20
Borrowing costs		..	..	..
Other		(2,492)	(2,492)	(2,492)
Net cash provided by/(used in) operating activities		**91**	**91**	**91**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**..**	**..**	**..**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	57,60	560,888	352,267	453,392
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	57,60	(560,888)	(352,267)	(453,392)
Net cash provided by/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**91**	**91**	**91**
Administered cash at beginning of financial year		**29,287**	**27,731**	**27,822**
Cash transfers from restructure		..	..	..
Administered cash at end of financial year		**29,378**	**27,822**	**27,913**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
1. The conditions outlined in the notes below have impacted on the amount of service revenue received by the department.
2. Variance reflects funding from the Queensland Reconstruction Authority (QRA) for expenditure under Natural Disaster Relief and Recovery Arrangements (NDRRA) following severe flooding events.
3. Decrease reflects less than anticipated staffing requirement for the New Queensland Drivers Licence (NQDL) as a result of the delay to the scheduled implementation.
4. Variance reflects increased expenditure for emergency works following severe flooding events.
5. Increase is predominately due to additional funding for Regional Freight and Livestock Transport Services Contract.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
6. The conditions outlined in the notes below have impacted on the amount of service revenue received by the department.
7. Variance reflects funding from the QRA for expenditure associated with restoration of the road network following recent flooding events.
8. Increase reflects the impacts of enterprise bargaining increases and implementation of the NQDL.
9. Increase reflects increased expenditure associated with restoration of the road network following recent flooding events.
10. Variance reflects the forecast completion of projects funded from the Queensland Infrastructure Plan (QIP).
11. Increase reflects grant funding received from the QRA to meet capital expenditure for road restoration works following recent flooding events.

Statement of changes in equity

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
12. Variance is due to deferral of funding for capital expenditure because of delays to works as a result of the extensive wet weather during the year.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
13. Increase reflects the deferral of expenditure from 2010-11.
14. Variation reflects the transfer of debt from Queensland Motorways Limited (QML) for the Port of Brisbane Motorway.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
15. Decrease is due to expenditure on NDRRA emergent works following recent flooding events that has not yet been reimbursed.
16. Variance reflects the prepayment to Urban Land Development Authority for early works on part of the Northern busway.
17. Movement reflects the revaluation of the written-down replacement value of the road asset following a comprehensive revaluation.
18. Variance reflects a provision for dredging when the responsibility for the Scarborough, Manly and Cabbage Tree Creek boat harbours was transferred from the Port of Brisbane to the department.
19. Decrease reflects deferral of anticipated debt raisings for NQDL.
20. Variance is due to deferral of funding for capital expenditure because of delays to works as a result of the extensive wet weather during the year.
21. Reduction is due to the revaluation of the written-down replacement value of the road asset following a comprehensive revaluation.
22. Increase primarily reflects the revaluation of land.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
23. Movement reflects continued expenditure on the capital works program.
24. Increase is due to investment in the NQDL system.
25. Movement reflects the deferral of borrowing requirements from 2010-11 for NQDL.
26. Increase relates to contributions by the State and Australian Governments for investment in the capital program.
27. Decrease is due to a forecast surplus as a result of grants received from the QRA for restoration works to the road network following recent flooding events.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
28. The conditions outlined in the notes below have impacted on the amount of service revenue received by the department.
29. Variance reflects funding from the Queensland Reconstruction Authority (QRA) for expenditure under Natural Disaster Relief and Recovery Arrangements (NDRRA) following severe flooding events.
30. Decrease reflects less than anticipated staffing requirement for the New Queensland Drivers Licence (NQDL) as a result of the delay to the scheduled implementation.
31. Variance reflects increased expenditure for emergency works following severe flooding events.
32. Increase is predominately due to additional funding for Regional Freight and Livestock Transport Services Contract.
33. Variance is due to deferral of capital expenditure because of delays to works as a result of the extensive wet weather during the year.
34. Decrease reflects the deferral of anticipated borrowings to 2011-12.
35. Decrease is due to deferral of funding for capital expenditure because of delays to works as a result of the extensive wet weather during the year.
36. Variance reflects additional redemption payments to pay out a number of small loans.

37. Variance is due to cash flow timing adjustments to projects funded by the Australian Government and QIP.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
38. The conditions outlined in the notes below have impacted on the amount of service revenue received by the department.
39. Variance reflects funding from the QRA for expenditure associated with restoration of the road network following recent flooding events.
40. Increase reflects the impacts of enterprise bargaining increases and implementation of the NQDL.
41. Increase reflects increased NDRRA expenditure associated with restoration of the road network following recent flooding events.
42. Increase represents inclusion of projects deferred from 2010-11 and additional expenditure for NDRRA works as a result of recent flooding events.
43. Reduction is due to no equity injection being made into QML as a result of the sale of the company.
44. Increase is due to borrowings deferred from 2010-11.
45. Variance is due to deferral of project expenditure from 2010-11.
46. Reduction is due to no additional redemption payments being made in 2011-12 compared to 2010-11.
47. Variance primarily reflects the fluctuation in expenditure on the capital works program in relation to QIP projects.

Administered income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
48. Variance primarily reflects a reduced estimate of revenue from camera detected offences.
49. Increase is due to additional funding for Port of Townsville Berth 10A and the CityTrain Transport Service Contract administered by the Translink Transit Authority.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
50. Variance primarily relates to an increase in the revenue forecast for motor vehicle registrations.

Administered balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
51. Variance reflects the final year of advance funding received from the Australian Government for capital works to be undertaken on the Bruce Highway between Townsville and Cairns which was accounted for in 2009-10.
52. Increase reflects the indexation in value of non-corridor land.
53. Variance reflects a decrease in payables to Queensland Rail for NDRRA expenditure related to flooding events.
54. Increase reflects a higher year end accrual for revenue from registration and licensing fees and traffic fines.

Administered cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
55. Increase is due to additional funding for Port of Townsville Berth 10A and the CityTrain Transport Service Contract administered by the Translink Transit Authority.
56. Variance primarily reflects a reduced estimate of revenue from camera detected offences.
57. Decrease is due to cash flow timing adjustments to projects funded by the QIP.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
58. Reduction is due to the funding for Port of Townsville Berth 10A being for 2010-11 only offset by increases in the cost of public transport service contracts administered by Translink Transit Authority.
59. Variance primarily relates to an increase in the revenue forecast for motor vehicle registrations.
60. Increase reflects realignment in funding for rail projects.

Commercialised Business Unit

RoadTek

OVERVIEW

RoadTek is a major provider of transport infrastructure solutions throughout Queensland, providing civil construction and maintenance works and related services with a turnover in excess of $680 million per year. It has a workforce of approximately 1,800 employees and operates from 29 locations throughout Queensland. In delivering a large, diverse program of works, RoadTek is focused on community needs, delivering best value outcomes in a safe and efficient manner and improving safety for both road workers and road users.

REVIEW OF PERFORMANCE

Recent achievements

In the last 12 months, RoadTek has:

- provided emergency and recovery response to communities across the State including restoring damaged roads and removing debris following major storms and flood events right across Queensland
- enhanced the safety capability of our workforce through the provision of safety leadership training across our teams, safe environments to learn construction and electrical skills through both our RoadTek Training Centre at Townsville and our Electrical Training Centre in Nerang
- continued to drive strong customer service within our teams resulting in a number of Perfect 5 survey score ratings on some of our projects, as well as continuing to maintain our certification with the Customer Service Institute of Australia
- delivered numerous projects for our customers across the State, including the substantial improvement in the structures inspection program, delivering the Queensland Transport and Roads Investment Program (QTRIP), piloting the programmed vehicle inspections regime on behalf of Transport Services Division and the construction and upgrading of a number of marine infrastructures such as boat ramps, jetties and marine signals
- implemented the SAP Program and Project Management module across all our business operations.

RoadTek continues to maintain a strong emphasis on business and project management performance, whilst maintaining certification against Australian and International standards in quality, safety, environment and customer service.

Future developments

In 2011-12 RoadTek will focus its efforts on achieving the following initiatives:

- continue to drive the ‘Zero Harm’ philosophy across all our operations including strong management visibility on the ground
- continue to develop strategic relationships within the Department of Transport and Main Roads and across our wider customer and supplier groups
- continue to build our construction and business management capability, supporting good practice in both construction and maintenance activities

- drive RoadTek's business agenda to ensure we continue to operate as a sustainable commercial government business while delivering on government priorities
- actively contribute to Queensland's response to the reconstruction program through the delivery of the Transport Network Reconstruction Program for both state and local governments.

The key challenge for RoadTek is to remain agile and be able to respond in a challenging economic environment, taking opportunities to further enhance our business and maintain a highly capable workforce.

STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service standards				
Long term debt / equity	R,1	21.5%	17.9%	16.2%
Long term debt / total assets	R,2	14.0%	12.0%	11.3%
Return on equity	R,3	12.0%	24.1%	20.5%
Return on revenue (after tax)	R,4	3.2%	5.6%	5.0%
Profit margin (earnings before income tax / user charges)	R,4	4.5%	7.9%	7.1%
Lost time injury frequency rate	R,5	<20	<20	<20
Customers' and stakeholders' value of RoadTek (on a scale of 1 to 5)	R	>4	>4	>4
Other measures				
Plant utilisation (Plant Hire Services)	R	75%	80%	80%

Notes:
R. Denotes service standards and other measures for the Minister for Main Roads, Fisheries and Marine Infrastructure.
1. With long term debt stable, and equity increasing through profitable trading, this ratio continues to improve.
2. This ratio continues to improve with long term debt stable and a solid increase in total asset value through profitable trading resulting in increased asset purchases and a positive bank balance.
3. 2010-11 has exceeded expectations with an increased margin over an increased equity position. 2011-12 is expected to be solid with both a healthy margin and continued equity growth.
4. Return on revenue and profit margin have improved over 2010-11 budget, particularly due to increased revenue from Natural Disaster Relief and Recovery Arrangements (NDRRA) activities. The position in 2011-12 is expected to maintain a solid return.
5. In accordance with Australian Standard 1885.1 – Workplace Injury and Disease Recording Standard, Lost Time Injury Frequency is the number of lost time injuries, multiplied by one million and divided by the number of person-hours actually worked. An incident is defined as an injury that results in the loss of a shift (usually eight hours).

INCOME STATEMENT

RoadTek	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
User charges	1,11	507,517	698,028	739,852
Grants and other contributions	2,12	39	224	32
Other revenue	3	3,230	2,142	1,438
Gains on sale/revaluation of property, plant and equipment and investments	4,13	362	185	274
Total income		**511,148**	**700,579**	**741,596**
Expenses				
Employee expenses	5,14	146,092	159,724	176,667
Supplies and services	6,15	315,795	459,849	482,337
Grants and subsidies		114	151	191
Depreciation and amortisation	7,16	16,736	17,581	20,708
Finance/borrowing costs	8	3,410	2,888	2,966
Other expenses	17	4,613	4,408	5,679
Losses on sale/revaluation of property, plant and equipment and investments	9	1,323	235	451
Total expenses		**488,083**	**644,836**	**688,999**
Surplus or deficit before related income tax		**23,065**	**55,743**	**52,597**
Income tax expense/revenue	10	6,920	16,723	15,779
OPERATING SURPLUS/(DEFICIT) after related income tax		**16,146**	**39,020**	**36,818**

STATEMENT OF CHANGES IN EQUITY

RoadTek	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		16,146	39,020	36,818
Total recognised income and expense for the period		**16,146**	**39,020**	**36,818**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Dividends provided or paid		(12,914)	(19,767)	(19,510)
Total movement in equity for period		**3,232**	**19,253**	**17,308**

BALANCE SHEET

RoadTek	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	18	1,065	25,873	25,060
Receivables		71,189	74,774	77,078
Other financial assets		..	..	..
Inventories	19	21,769	27,064	27,179
Other		665	850	650
Non-financial assets held for sale		..	..	..
Total current assets		**94,688**	**128,561**	**129,967**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	21	111,873	113,138	125,221
Intangibles		16	1	1
Other		..	..	..
Total non-current assets		**111,889**	**113,677**	**125,760**
TOTAL ASSETS		**206,577**	**242,238**	**255,727**
CURRENT LIABILITIES				
Payables		37,836	42,791	39,197
Interest-bearing liabilities and derivatives		29,000	29,000	29,000
Current tax liabilities	20	1,754	7,774	7,539
Accrued employee benefits		1,613	631	641
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**70,203**	**80,196**	**76,377**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		1,271	..	..
Total non-current liabilities		**1,271**	**..**	**..**
TOTAL LIABILITIES		**71,474**	**80,196**	**76,377**
NET ASSETS/(LIABILITIES)		**135,103**	**162,042**	**179,350**
EQUITY				
Capital/contributed equity		47,826	47,826	47,826
Accumulated surplus/(accumulated deficit)		87,277	114,216	131,524
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**135,103**	**162,042**	**179,350**

CASH FLOW STATEMENT

RoadTek	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges	22,27	512,371	693,028	735,946
Grants and other contributions		39	224	32
Other	23	28,193	32,242	31,438
Outflows:				
Employee costs	24,28	(146,054)	(160,909)	(175,957)
Supplies and services	25,27	(344,479)	(490,769)	(517,560)
Grants and subsidies		(114)	(151)	(191)
Borrowing costs		(3,410)	(2,888)	(2,966)
Tax equivalents paid	26	(7,956)	(15,999)	(16,014)
Other		(4,602)	(3,982)	(5,598)
Net cash provided by/(used in) operating activities		**33,988**	**50,796**	**49,130**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		3,256	3,045	3,823
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	29	(24,396)	(25,912)	(34,256)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(21,140)**	**(22,867)**	**(30,433)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Dividends paid		(12,914)	(19,767)	(19,510)
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**(12,914)**	**(19,767)**	**(19,510)**
Net increase/(decrease) in cash held		**(66)**	**8,162**	**(813)**
Cash at the beginning of financial year		**1,131**	**17,711**	**25,873**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**1,065**	**25,873**	**25,060**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. The increase in revenue is due to extensive flood damage work across Queensland from the events that occurred in both 2010 and 2011.
2. The increase in grants and contributions is due to a one off contribution asset write-on.
3. The decrease in other revenue relates to fewer insurance claims.
4. The decrease in gain on sale is due to fewer disposals resulting from holding plant longer due to work demands.
5. The increase in employee expenses is due to extra staff being required for the additional work associated with flood damage restoration plus increased overtime work.
6. The increase in supplies and services reflects the increased work associated with restoration of the road network as a result of flood damage.
7. The increase in depreciation relates to the increased capital expenditure for construction plant and equipment to meet the demand from extensive flood damage work.
8. The decrease in finance/borrowing costs is due to reduced interest charges resulting from improved cash management.
9. The decrease in losses on sale relate to fewer items of plant being put to disposal.
10. The increase in income tax is due to an increased surplus from trading.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

11. The increase in revenue is due to increased work as a result of extensive flood damage.
12. The decrease in grants and contributions is due to a one off increase in 2010-11 which will not recur in 2011-12.
13. The increase in gain on sale is due to a plan to put more items of plant and equipment to the disposal market.
14. The increase in employee expenses reflects a requirement for extra staff and overtime to deliver the additional flood damage restoration work from recent flooding events.
15. The increase in supplies and services reflects the flood damage restoration work that will be undertaken.
16. The increase in depreciation is due to an increased capital expenditure program of plant and equipment to cater for NDRRA work.
17. The increase in other expenses relates to an expected increase in insurance premiums.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

18. The increase in cash reflects the increased surplus achieved as a result of the additional work undertaken.
19. The increase in inventories reflects the increased program of work that is being undertaken.
20. The increase in current tax liabilities is due to the increased profitability during 2010-11.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

21. The increase in property, plant and equipment is due to increased program of work requiring additional construction plant.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

22. The increase in user charges reflects the increased work undertaken for flood damage restoration work.
23. The increase in other is due to increased input tax credits generated as a result of the increased work.
24. The increase in employee costs is due to increased workload with both additional staff and increased overtime work.
25. The increase in supplies and services reflects the increased flood damage restoration work undertaken.
26. The increase in taxation equivalents is due to an increased surplus from trading.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

27. Increase reflects the increased flood damage restoration work to be undertaken.
28. The increase in employee costs is due to both additional staff and increased overtime work to meet the increased work program.
29. The increase in property, plant and equipment reflects additional investment to enable delivery of the increased program of works.

Statutory Body

TransLink Transit Authority

OVERVIEW

The TransLink Transit Authority (TransLink) was established by the State Government under the *Transport Operations (TransLink Transit Authority) Act* 2008 to provide South East Queensland with the best possible public transport services at a reasonable cost to the community and Government.

TransLink's role is to lead, plan, specify and provide mass transit for the people in South East Queensland. Key objectives for the organisation are to deliver a quality experience for the customer, whilst ensuring sustainable growth and improving service quality across the network.

In *Toward Q2: Tomorrow's Queensland*, the State Government outlines its commitment to reducing the State's carbon footprint by one third by 2020. TransLink continues to contribute to this goal by encouraging greater use of public transport in South East Queensland.

REVIEW OF PERFORMANCE

Recent achievements

- Coordination of the public transport disaster response and recovery effort, including eight days of free travel during the January floods.
- In 2010-11, the implementation of $22 million of new bus services and $9.6 million of new train services provided additional seated passenger capacity of 305,000 per week. This is in addition to the 301,000 weekly seats added to the network in 2009-10.
- TransLink undertook consultation on a re-casted train timetable for the Caboolture, Ipswich, Rosewood and North Coast lines in late 2010 to utilise new infrastructure such as the $218 million Corinda to Darra upgrade and new rollingstock. Changes will be implemented on 6 June, 2011.
- A new $345 million rail line between Darra and Richlands opened in January 2011, servicing a new station at Richlands, bus interchange and park 'n' ride facilities.
- Routes 196 (New Farm to Fairfield) and 120 (Garden City to CBD) were upgraded to high-frequency services as part of a significant bus package on 6 June.
- Western region services restructured in December 2010 and May 2011 to improve on-time running with Sunday services introduced to many routes for the first time.
- *go* card migration rising to over 80 per cent with the third phase of the 400,000 *go* card giveaway in October 2010 giving more than 80,000 *go* cards to charity organisations.
- 27 stations on the Ipswich, Rosewood, Caboolture and Sunshine Coast lines being upgraded to increase levels of safety, security and convenience for customers.
- In July and August 2010, park 'n' rides at Park Ridge ($4 million) and Greenbank RSL ($1.4 million) were completed and a new 122 bay bus park 'n' ride was constructed on Bribie Island ($4.2 million).

- Between September and December 2010, upgrades were opened at Morayfield ($1.1million), Bray Park ($1.1million) and Ormiston train station park ‘n’ rides ($2.3 million), 230 new bays were added at Dinmore train station ($3 million), 92 new bays at Burpengary train station ($1.5 million), 159 new bays at Bald Hills train station ($3 million), and an $8 million footbridge was built at Yeerongpilly station.
- In May 2011, 200 new parking spaces were opened at Klump Rd, Mt Gravatt ($6.7 million).
- Continued expansion of the *go* card retail network to 560 purchase locations and 1,570 top-up locations, including new top-up facilities on board all CityCat and CityFerry services.

Future developments

- Piloting a world-class real-time customer information system and development of the TransLink website and mobile information to assist in journey and public transport information.
- 125 additional and new replacement buses to be added to the fleet, with development of bus services to support the opening of Stage 2 of the Eastern Busway.
- Train timetable restructures on the Gold Coast, Beenleigh, Cleveland, Doomben, Airport, Ferny Grove and Shorncliffe lines to improve service reliability and capacity.
- Infrastructure projects are scheduled for completion in 2011-12 at Sandgate, Cooroy, Rosewood, Zillmere, Birkdale, Jindalee, Logan Central, Redbank Plaza, Peninsula Fair, UQ Lakes, Enoggera Reservoir, North Lakes, Capalaba, Redland Bay and Noosa.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
	2	308	340	358

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. Increase predominately attributable to the introduction of the Senior Network Officers and Helping Hands (Customer Service and Revenue Protection Officers) during 2010-11 and 2011-12 financial years.

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service standards				
Patronage on TransLink services (millions):	T,1	188.0	178.2	186.1
• Bus	1	New	119.4	125.4
• Rail	1,2		54.5	55.1
• Ferry	1		4.3	5.6
User satisfaction ratings of public transport by service type (*using a 1 to 100 index – 100 being excellent*):	T,3			
• Bus		>70	71	>70
• Rail		>70	69	>70
• Ferry		>70	76	>70
Customer complaints on *go* card per 10,000 trips	T,4	<9.0	3.3	<4
Customer service complaints (other than *go* card) per 10,000 trips	T,5	New measure	2.0	<4
Percentage of unscheduled cancellations – Citytrain	T,6	<0.5	0.17	<0.26
Average on-time running performance in peak times – Citytrain	T,6	>92.5%	93.2%	93.7%
Average cost of subsidy per passenger trip – bus, rail and ferry	T,7,8	$5.46	$5.86	$5.92
State contribution ($'000)		**1,026,517**	**1,044,362**	**1,102,243**
Other revenue($'000)		**357,287**	**340,327**	**411,886**
Total cost ($'000)		**1,383,804**	**1,384,687**	**1,514,129**

Notes:
T. Denotes service standards and other measures for the Minister for Transport and Multicultural Affairs.
1. Decrease in patronage from 2010-11 Target/estimate to 2010-11 Estimated actual mainly attributable to the impacts of the floods and free public transport during that period
2. The continued increase in *go* card usage and phasing out of periodical paper tickets from January 2011 has resulted in more accurate counting of passenger trips. In previous years the use of paper tickets made it very difficult to accurately reflect passenger behaviour /activity. With progressive migration to *go* card technology a greater level of accuracy can be achieved in both counting passenger trips and forecasting future passenger activity.

3. Reporting methodology has now been recalibrated from a 1 – 10 to a scale to that of a 1 – 100.
4. This service standard is to measure the performance of the *go* card system and represents the number of complaints per 10,000 passenger trips. It is calculated using a year to date average of the monthly results.
5. This new service standard has been added in order to measure the performance of non *go* card related activity and represents the number of complaints per 10,000 passenger trips. It is calculated using a year to date average of the monthly results.
6. The 2011-12 Target/estimates are based on the existing 2010-11 contract between TransLink and Queensland Rail Passenger.
7. This subsidy service standard represents the overall State contribution divided by the number of passenger trips.
8. Variation from 2010-11 Target/estimate to 2010-11 Estimated actual is due to an increase in the return on capital for rail assets and comments consistent with notes 1 and 2 above.

INCOME STATEMENT

TransLink Transit Authority	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
User charges	1,10	382,107	361,079	432,646
Grants and other contributions	2,11	994,843	1,014,896	1,072,552
Other revenue	3,12	6,854	8,712	8,931
Gains on sale/revaluation of property, plant and equipment and investments				
Total income		**1,383,804**	**1,384,687**	**1,514,129**
Expenses				
Employee expenses	4,13	31,721	32,783	38,839
Supplies and services	5,14	655,406	652,643	727,086
Grants and subsidies	6,15	668,203	673,303	723,476
Depreciation and amortisation	7,16	22,576	21,400	23,135
Finance/borrowing costs	8	720	6	..
Other expenses	9,17	5,178	4,552	1,593
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**1,383,804**	**1,384,687**	**1,514,129**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

STATEMENT OF CHANGES IN EQUITY

TransLink Transit Authority	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	13	..
Net income recognised directly in equity		**..**	**13**	**..**
Surplus/(deficit) for the period		..	13	..
Total recognised income and expense for the period		42,648	27,397	29,139
Equity injection/(withdrawal)		..	(1,581)	..
Equity adjustments (MoG transfers)		**42,648**	**25,829**	**29,139**
Total movement in equity for period		**..**	**..**	**..**

BALANCE SHEET

TransLink Transit Authority	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	18,27	47,348	40,642	50,398
Receivables	19,28	25,987	24,450	27,673
Other financial assets		..	..	..
Inventories	20	311	884	906
Other		443	600	615
Non-financial assets held for sale		..	..	..
Total current assets		**74,089**	**66,576**	**79,592**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	21,29	232,806	217,124	240,451
Intangibles	22,30	10,350	9,589	8,313
Other		..	..	..
Total non-current assets		**243,156**	**226,713**	**248,764**
TOTAL ASSETS		**317,245**	**293,289**	**328,356**
CURRENT LIABILITIES				
Payables	23,31	30,033	32,252	33,752
Accrued employee benefits	24	3,900	3,110	3,297
Interest-bearing liabilities and derivatives	25	747	480	506
Provisions		..	..	..
Other	26,32	24,176	19,371	24,092
Total current liabilities		**58,856**	**55,213**	**61,647**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives	25	8,054	5,675	5,169
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**8,054**	**5,675**	**5,169**
TOTAL LIABILITIES		**66,910**	**60,888**	**66,816**
NET ASSETS/(LIABILITIES)		**250,335**	**232,401**	**261,540**
EQUITY				
Capital/contributed equity				
Accumulated surplus/(accumulated deficit)		253,104	234,994	264,133
Reserves:		(2,997)	(2,821)	(2,821)
- Asset revaluation surplus				
- Other (specify)		228	228	228
		..	..	..
TOTAL EQUITY		**250,335**	**232,401**	**261,540**

CASH FLOW STATEMENT

TransLink Transit Authority	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges	33,42	387,112	366,656	435,223
Grants and other contributions	34,43	994,843	1,014,896	1,072,552
Other	35	5,363	8,281	7,852
Outflows:				
Employee costs	36,44	(31,394)	(32,266)	(38,652)
Supplies and services	37,45	(656,905)	(662,598)	(726,705)
Grants and subsidies	38,46	(668,203)	(676,333)	(723,476)
Borrowing costs	39	(720)	(6)	..
Other		(663)	433	(511)
Net cash provided by/(used in) operating activities		**29,433**	**19,063**	**26,283**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed	47	1,020,000	1,040,000	1,100,000
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	40	(54,361)	(46,124)	(45,186)
Payments for investments		1,020,000	(1,040,000)	(1,100,000)
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(54,361)**	**(46,124)**	**(45,186)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	1,310	..
Equity injections	41	42,648	27,397	29,139
Outflows:				
Borrowing redemptions		(696)	..	(480)
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**41,952**	**28,707**	**28,659**
Net increase/(decrease) in cash held		**17,024**	**1,646**	**9,756**
Cash at the beginning of financial year		**30,324**	**38,996**	**40,642**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**47,348**	**40,642**	**50,398**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
1. Decrease mainly attributable to the impact of the floods and free public transport provided during that period.
2. Variance due to additional funds provided for an increase in the notional return on capital for rail assets.
3. Increase due to greater than expected general increases in interest rates in conjunction with effective cash management.
4. Increase predominately attributable to the introduction of the Senior Network Officers and Helping Hands (Customer Service and Revenue Protection Officers) staff during 2010-11.
5. Variance due to delays in expected expenditure of supplies and services.
6. Variance due to an increase in contribution towards the community service obligations towards rail services.
7. Variance due to capital deferrals within the TransLink Station Upgrade Program.
8. Variance due to establishment of an offset account in order to minimise interest expense.
9. Variance due to unused and expired cards from the *go* card household promotion.

Major variations between 2010-11 Estimated actual and 2011-12 Estimate include:
10. Variance reflects an increase in revenue from a January 2011 fare increase, additional *go* card off peak discounts and anticipated further fare increases.
11. Increase due to additional funding provided for indexation and network growth in transportation services.
12. Further increase in investment income consistent with increased expected total income.
13. Increase as a result of Enterprise Bargaining Agreements along with associated personnel costs from the full year affect of Senior Network Officers and Helping Hands in 2010-11 and the anticipated additional Network Officers in 2011-12.
14. Increase due to the costs relating to indexation and associated growth to support additional transport services.
15. Variance reflects an increase in contribution to Community Service Obligations towards rail services.
16. Increase consistent with additional capital program spends for 2011-12 and deferred capital program spend from 2010-11.
17. Decrease due to *go* card household promotion concluded during the 2010-11 financial year.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
18. Variance mainly attributable to lower than expected unearned revenue as a result of the phasing out of timed paper tickets.
19. Decrease in receivables due to a reduction in debtors with the phasing out of timed paper tickets.
20. Increase due to the requirement to hold larger *go* card stock due to the successful migration to the Smartcard technology.
21. Decrease due to capital deferrals within the TransLink Station Upgrade Program.
22. Decrease due to previously identified intangibles later reclassified and capitalised under property, plant and equipment.
23. Variance a result of an increase in estimated end of year payables and an increase in *go* card deposits due to greater migration to Smartcard technology.
24. Decrease due to the timing associated with accrued salaries and wages at year end.
25. Decrease due to agreed payment terms with Smartcard technology partner.
26. Variance mainly attributable to lower than expected unearned revenue as a result of the phasing out of timed paper tickets.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
27. Expected increase a result of an expected uplift in *go* card migration and fare revenue income resulting in higher smartcard deposits and unearned revenue.
28. Increase expected from uplift in fare revenue and GST receivable consistent with that of expected higher expenditure in the 2011-12 financial year.
29. Increase due to expected roll out of the 2011-12 capital program.
30. Decrease due to expected depreciation with no further provision of funding for intangibles.
31. Variance a result of an increase in estimated end of year payables and an increase in *go* card deposits due to greater migration to Smartcard technology.
32. Expected increase is a result of an expected uplift in *go* card migration and fare revenue income resulting in higher unearned revenue.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
33. Decrease mainly attributable to the impact of the floods and free public transport provided during that period.
34. Variance due to additional funds provided as a notional return on capital for rail assets.
35. Increase due to greater than expected general increases in interest rates in conjunction with effective cash management.
36. Increase predominately attributable to the introduction of the Senior Network Officers (Customer Service and Revenue Protection Officers) during 2010-11.
37. Variance due to delays in expected expenditure of supplies and services.
38. Variance due to an increase in contribution towards the community service obligations towards rail services.
39. Variance due to establishment of an offset account in order to minimise interest expense.
40. Variance due to capital deferrals within the TransLink Station Upgrade Program.
41. Decrease relates to capital program deferrals in 2010-11 for the TransLink Station Upgrade Program due to timing of committed expenditure.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
42. Variance reflects an increase in revenue from a January 2011 fare increase, additional *go* card off peak discounts and anticipated further fare increases.
43. Increase due to additional funding provided for indexation and network growth in transportation services.
44. Increase as a result of Enterprise Bargaining Agreements along with associated personnel costs from the full year affect of Senior Network Officers in 2010-11 and the anticipated additional Network Officers in 2011-12.
45. Increase due to the costs relating to indexation and associated growth to support additional transport services.
46. Variance reflects an increase in contribution to Community Service Obligations towards rail services.
47. Further increase in investment consistent with increased expected total income.

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PART 11

Department of Public Works

Summary of departmental portfolio budgets[1]

Page	Agency	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
2-153	Department of Public Works - controlled	643,450	663,518	695,169
	Department of Public Works - administered	43,881	84,682	53,054
2-180	QBuild	838,810	900,891	888,247
2-188	Project Services	151,131	168,405	151,020
2-196	QFleet	222,574	211,852	230,515
2-204	CITEC	201,192	187,056	205,947
2-213	Goprint	14,254	13,319	15,572
2-219	Sales and Distribution Services (SDS)	64,136	67,343	65,051
2-226	Queensland Shared Services[2]	..	..	260,736
	Shared Service Agency[2]	189,580	179,129	..
	CorpTech[2]	123,608	188,795	..
2-240	Queensland Building Services Authority	148,085	155,656	149,675

Notes:
1. Explanations of variances are provided in the financial statements.
2. Under the revised shared service direction, the Department of Public Works has merged CorpTech and the Shared Service Agency to form Queensland Shared Services as at 1 July 2011 and will be transferring functions to the Department of Education and Training by July 2011. Planning is underway to transition functions to Queensland Health in 2012.

DEPARTMENTAL OVERVIEW

MINISTERIAL RESPONSIBILITY

The Minister for Government Services, Building Industry and Information and Communication Technology has administrative responsibility for the functions of the Department of Public Works.

STRATEGIC ISSUES

The Department of Public Works provides support services to other government agencies to assist them to deliver their services to the people of Queensland. The department has lead agency responsibility for the design, construction, fitout and maintenance of government buildings; Information and Communication Technology (ICT); procurement; and recordkeeping in Queensland's public sector. It also provides high quality, standardised corporate services and business solutions to government agencies and is the primary point of contact for Queenslanders accessing government services through Smart Service Queensland. A significant number of the department's services are delivered through its commercialised business units: QBuild; Project Services; QFleet; CITEC; Goprint; and SDS.

The department has a long standing relationship with the services, ICT and building industries across Queensland.

The department supports the Government's *Toward Q2: Tomorrow's Queensland* – the Government's blueprint to address the state's long-term economic, environmental and social challenges and opportunities – through five ambitions:

- Strong – *Creating a diverse economy powered by bright ideas* through built infrastructure supporting the building industry, ICT and services that support growth in Queensland
- Green – *Protecting our lifestyle and environment* through sustainable fleet management, green ICT and building initiatives
- Smart – *Delivering world class education and training* by providing graduate programs and local training and employment opportunities through construction trade apprentices, graduate programs in ICT and procurement and traineeships
- Healthy – *Making Queenslanders Australia's healthiest people* through implementing a whole-of-department health program to assist staff manage their health, wellbeing and safety (Better Pathways to Health Program)
- Fair – *Supporting safe and caring communities* through volunteer programs at Roma Street Parkland and Queensland State Archives, and supporting reconciliation through the department's Reconciliation Management Plan, *Working towards Reconciliation 2011-2012.*

The need to deliver efficient and effective services to client agencies and at the same time deliver savings and benefits from whole-of-Government service reform is a major priority for the department. Other significant issues facing the department that impact on the ability to deliver services include:

- a constrained fiscal environment
- responding to natural disasters and other environmental issues
- maintaining a capable workforce in the context of an ageing population and skills shortages.

The *Department of Public Works Strategic Plan 2011-2015* sets out the directions the department proposes to take to achieve the outcomes expected by the Government and community, and establishes five strategic objectives:

- deliver quality services – measured through client satisfaction and delivery of services within agreed standards
- lead whole-of-Government service reform – measured through the implementation of whole-of-Government programs and benefits to government
- lead whole-of-Government service policy – measured through stakeholder satisfaction with policy effectiveness
- support the Government's priorities – measured through regional and target group representation in the QBuild Apprenticeship Program
- improve organisational capability – measured through staff satisfaction and compliance with legislative, policy and administrative requirements.

2011-12 HIGHLIGHTS

Quality service delivery

Services to be delivered by the department in 2011-12 include:

- progressing an extensive capital works program comprising major construction projects, such as:
  - the 19-floor Supreme Court and District Court complex in Brisbane's Central Business District;
  - procurement management of new major State hospital projects including the Gold Coast University Hospital and Queensland Children's Hospital, and the redevelopment of hospitals in Cairns, Townsville, Mackay, Rockhampton and Ipswich;
  - the Queensland Police Academy, which includes the design and construction of a Command and Learning Precinct, a Policing Skill Programs Precinct, a Residential Precinct and the adaptive reuse of existing heritage buildings on the site for support services; and
  - program management of 10 new category 5-rated multi-purpose cyclone shelters to be constructed along the Queensland coastline.
- delivering annual building maintenance programs
- managing government accommodation across a portfolio of more than one million square metres of office space
- providing asset management services for approximately 1,000 units of government employee housing across the state
- maintaining the government vehicle fleet comprising approximately 13,000 vehicles
- providing government information, referrals and payment services with 14.5 million customer interactions through telephone, online and face-to-face delivery channels
- meeting the office supply and furniture needs of more than 12,000 government buyers
- providing payroll, mail and financial services to approximately 78,000 Queensland public servants
- managing applications in support of payroll and financial services delivered to approximately 159,000 Queensland public servants.

Whole-of-Government service reform

The department will play a leadership role in public sector reform agendas in 2011-12, including:

- implementing phase two of the *Climate Smart Action Plan 2010-12* to meet targets to reduce carbon emissions of the fleet by 30% by 2012 (revised target) and 50% by 2017
- implementing a new environmentally sustainable vehicle fleet model for government
- introducing a new suite of cost-effective whole-of-Government purchasing arrangements for common use items and monitoring procurement benefits targets for all Queensland Government agencies
- implementing the Government's decentralisation agenda by providing accommodation in Ipswich, Bowen Hills and Carseldine
- finalising the implementation of the Travel Management System and Print Management Solution in all core government departments
- contributing to initiatives in the built environment, particularly in relation to innovative new sustainability and energy efficiency practices, such as energy-efficient lighting retrofits and air-conditioning system upgrades
- continuing to implement recommendations of the *PricewaterhouseCoopers Review of the Shared Services Model for Queensland Government*
- improving recordkeeping standards in more than 600 public authorities
- ensuring National Broadband Network services are implemented in a way that provides maximum benefit to Queensland.

Whole-of-Government service policy

The department will deliver a number of significant policy initiatives in 2011-12, including:

- managing a range of building, ICT and core policies and frameworks, such as the Queensland Government Enterprise Architecture Framework 2.0, Capital Works Management Framework, Maintenance Management Framework and the Building Asset Performance Framework
- reviewing the whole-of-Government *Strategic Energy Efficiency Policy for Queensland Government Buildings* for 2011-12
- managing the whole-of-Government Prequalification System for approximately 1,000 building contractors and 600 building consultants, including the integration of the National Prequalification System for Non-residential Building
- managing the State Procurement Policy with a continuing focus on sustainability and the use of local suppliers, and stronger contract transparency requirements.

RECENT ACHIEVEMENTS

Quality service delivery

In 2010-11, the department:

- managed building capital works of approximately $2.1 billion, including building consultancy services and construction procurement, on behalf of Queensland Government agencies
- delivered approximately $309 million in construction and upgrade works across Queensland, including housing renewals, office fitouts, new construction, heritage restoration, building upgrades, and asbestos removal and replacement
- delivered an estimated $487.5 million in client maintenance programs, including:
  - Queensland Government agency annual maintenance programs;

  - Remote Indigenous Housing and Homelessness Program for the Department of Communities;
  - State Schools of Tomorrow Program for the Department of Education and Training;
  - Asbestos Replacement Program for the Department of Education and Training;
  - Remote Asset Maintenance Program for Queensland Health, the Department of Education and Training, and Queensland Police Service; and
  - the Minister's Maintenance Contingency Program.
- delivered $62 million in savings and other benefits through sector-wide procurement arrangements for common use items
- managed more than 6.7 million customer contacts through flexible service delivery channels, and expanded the Queensland Government Agent Program to 78 with the opening of eight new locations across regional Queensland
- managed more than 3.3 million telephone interactions, 10.3 million online interactions and 345,000 face-to-face interactions through Smart Service Queensland
- processed over 2 million individual pays, almost 4 million accounts payable invoice lines and 6.3 million mail items
- managed the applications in support of payroll services delivered to approximately 235,000 Queensland public servants processing over 1.3 million individual pays
- managed Roma Street Parkland, which attracts approximately 660,000 visitors a year
- continued to project manage the Community Memorials Restoration Program, with a further $364,000 committed to complete 67 projects across Queensland
- launched the Queensland WWII Historic Places website that lists 500 citations of places with World War II military significance and provides information on another 1000 places, supported by interactive mapping, images and multimedia.

Whole-of-Government service reform

In 2010-11, the department:

- implemented five of the 23 recommendations of the *PricewaterhouseCoopers Review of the Shared Services Model for Queensland Government*
- progressed the Government's strategy for government information and communication technology, *Toward Q2 through ICT (2009-2014),* which sets the direction for improving the management and use of ICT investment, and for driving initiatives, programs and projects across government
- continued to implement the Government's ICT consolidation, including network and data centre consolidation, and rationalised human resources and business applications
- commenced the migration of the Department of Public Works to the Identity, Directory and Email Services program, to consolidate email service delivery across government and provide whole-of-Government identity management
- reduced the Government vehicle fleet's engine emissions by 26.4% by 31 December 2010 (against the original target of 25% by the end of 2012)
- continued the rollout of the Travel Management System across all government agencies, and implemented the system in 10 agencies
- supported the Government's commitment to meeting national greenhouse gas emissions reductions targets by assisting agencies to improve the energy efficiency of their buildings, including lighting retrofit projects in several police stations, courthouses and other government buildings
- increased the minimum energy performance standard target for new government office buildings to 5 stars (out of 5) using the National Australian Built Environment Rating System for Offices (energy)

- continued to trial new low emission and renewable energy technologies for potential application in government buildings, including the ongoing trialling of three different types of solar photovoltaic panels and the installation of a fuel cell at the Dandiiri Joint Contact Centre at Zillmere
- continued to work with the Australian Government and Queensland Government agencies to prioritise rollout principles and objectives, and identify Queensland broadband assets and capabilities to influence the timing and extent of the broadband rollout in Queensland
- continued to coordinate the implementation of the Australian Government's Nation Building – Economic Stimulus Plan for state-wide education, social housing, roads and safety projects. Under the program, the department developed a Procurement Plan and, in association with the Department of Education and Training and the Department of Communities, procured 434 projects with an approximate value of $348 million.

Whole-of-Government service policy

In 2010-11, the department:

- progressed sector adoption of ICT policies, methodologies and frameworks to maximise government ICT investment for delivery of business outcomes
- introduced the *Fleet Efficiency and Utilisation Policy* to improve vehicle use and strategic fleet management across government
- revised and released the State Procurement Policy to provide for enhanced contract disclosure provisions
- administered the *Strategic Energy Efficiency Policy for Queensland Government Buildings* and assisted agencies to comply with the whole-of-Government policy by reducing energy consumption and increasing energy efficiency in Queensland Government buildings.

Supporting disaster response and recovery

The Department of Public Works played a key role in state disaster response and recovery efforts following the Queensland floods in January 2011 and Tropical Cyclone Yasi in February 2011. The department's contribution included providing building and engineering services, emergency supply services and communications services to support other Queensland Government departments and the community.

Building and engineering services

The department's role in undertaking damage assessment, recovery and repair of buildings in response to the floods and Tropical Cyclone Yasi included:

- coordinating the progressive closure of buildings and shutdown of building services in at-risk government-owned office buildings ahead of the projected flood, and establishing an expert project team within the department to assess the nature and extent of damage to building services and structures subsequent to the flood events
- leading the reinstatement of government buildings to full operation, including eight government-owned buildings (predominately office accommodation) in Brisbane's Central Business District that were flood-affected, and setting up temporary office space for displaced public servants. Within seven days of the flood peak all but two buildings were available for occupation and operating at full capacity
- undertaking assessments, clean-up, minor works and repairs on approximately 650 government assets including schools, police stations, health facilities, government-owned residences and other government infrastructure across Queensland. Despite Queensland sustaining widespread flooding and the timing of the event, only three state schools remained closed at the commencement of the school year on 24 January 2011

- undertaking more than 1,300 structural assessments in response to the floods and Tropical Cyclone Yasi on private residences at the request of the Department of Communities
- responding to 250 requests for assistance with electrical reconnections in private residences in response to the floods
- deploying approximately 600 QBuild trade and administrative staff and 210 contractors across Queensland as part of QBuild's immediate response to assist in the recovery effort
- as part of QBuild's immediate response to Tropical Cyclone Yasi, deploying approximately 250 QBuild trade and administrative staff and 150 contractors to undertake assessments, clean-up, minor works and repairs to more than 1,800 government assets including schools, police stations, health facilities, government-owned residences and other government infrastructure
- providing technical services in the recovery of Central Business District flood-affected government buildings including the Queensland Health Building, Forestry House, 61 Mary Street, Queensland Performing Arts Centre, Neville Bonner Building, Gallery of Modern Art, the State Library and the Goodwill Bridge
- coordinating with key government agencies the removal of broken asbestos cement sheeting littering roadways, yards, building surrounds, mangroves and other community spaces in Tully Heads and Hull Heads, which were devastated by storm surges.

Emergency supply services

The department's purchasing, supply and logistic support activities in response to the floods and Tropical Cyclone Yasi included:

- streamlining the availability of critical supplies, including ensuring government vehicles could access fuel and extending the arrangement covering safety equipment to include cleaning supplies providing a 24 hour, seven day a week service to arrange for the supply of essential items
- distributing basic necessities such as food packs, air mattresses, bed pumps, high pressure water cleaners, insect repellent, disinfectant and personal hygiene items to people in need
- providing furniture supplies and orders within short periods of time to regional areas, such as Rockhampton and Alpha
- delivering approximately $240,000 in furniture to flood-affected schools in Brisbane and Ipswich in time for the start of school, with a further $125,000 delivered following the start of school
- providing 160 vehicles for deployment to the flood-affected towns and centres of Chinchilla, St George, Dalby, Bundaberg, Rockhampton, Toowoomba, Lockyer Valley and Brisbane
- in the aftermath of Tropical Cyclone Yasi, providing 151 vehicles in support of cyclone-affected areas in north Queensland
- establishing a 10 person unit to coordinate emergency travel and accommodation into and out of affected areas. The unit coordinated all government emergency travel needs for approximately 1,500 relief workers.

Communications services

The department's information and communication activities supporting the response to the floods and Tropical Cyclone Yasi included:

- activating the Disaster Recovery Line and the Premier's disaster relief line and fielding more than 93,000 enquiries on the disaster recovery line and almost 70,000 enquiries for the Premier's relief line
- answering more than 55,000 calls on the State Emergency Service line in response to the Queensland floods and Cyclone Yasi

- establishing an emergency operations centre to ensure agencies' finance and human resources systems were operational and functioning in a business as usual state
- printing and binding up to 35,000 copies of the daily Department of Communities' newsletter, *Recovery News* over 17 days
- printing and distributing 23,000 six-page application forms for the Premier's Flood Relief Appeal in one day
- producing numerous Building Services Authority fact sheets and application forms that provided information on rebuilding after floods
- fielding almost 30,000 enquiries on the Disaster Recovery Line in the aftermath of Tropical Cyclone Yasi.

DEPARTMENTAL SERVICE AREAS

Building services

Building services delivers the Queensland Government's office accommodation and employee housing and manages other significant building and property initiatives. This is achieved through five business areas, Technical Services, Strategic Projects, Accommodation Office, the Building Policy Unit, and Contract Services which provide:

- stewardship of Queensland Government office and employee accommodation assets through effective policy development and exemplary management of assets
- delivery and maintenance of productive workplaces and government employee housing
- building policy and advice, and improved government and industry relationships
- monitoring of the economic state of the building industry, particularly in terms of its impact on the Government's building program
- an improved built environment through applied research, policy initiatives and the delivery of specialist energy efficiency programs
- management of strategic building and infrastructure projects
- advice on capital works contracts and assistance in managing those contracts
- innovative design for government buildings, assistance to architects undertaking government work and encouragement of regional design through the Office of the Queensland Government Architect.

Procurement services

Procurement services, delivered by the Queensland Government Chief Procurement Office (QGCPO), focuses on achieving cost savings and benefits through effective procurement policy and practice. The QGCPO manages whole-of-Government supply arrangements, which are used by departments, government-owned corporations, statutory bodies, local authorities and approved non-government organisations. Spend categories covered by these arrangements include travel, fuel, computers, furniture, salary packaging and employee assistance services.

Procurement services also provides a policy framework to drive improved procurement performance and efficiency across government, and assists Queensland Government agencies to implement sustainable procurement practices.

Queensland Government Information and Communication Technology Services

Queensland Government Information and Communication Technology is delivered by several service areas including: the Telecommunications, Broadband and Digital Economy

Coordination Office; the ICT Policy and Coordination Office; the Public Sector ICT Development Office; Smart Service Queensland; and Queensland State Archives.

Activities undertaken by the ICT offices seek to provide:

- easy-to-access, customer-focused services and information through improved ways for the community to engage with government
- an integrated ICT approach across government agencies to improve service delivery and information access, and reduce the cost of government operations
- leadership in whole-of-Government ICT, effective ICT governance and early engagement with industry
- a mature industry/government relationship where ICT delivers efficiencies.

Smart Service Queensland supports this service through the delivery of more accessible, efficient and convenient government services to Queenslanders.

In addition, records management advice is provided to public authorities through Queensland State Archives, which promotes a policy framework and information management practices to ensure a consistent approach to the creation, management, disposal, storage, preservation, and retrieval of government information across public authorities.

STAFFING[1]

Service area	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
Service areas				
Building Services	2,3,4	212	205	210
Procurement Services	5	119	109	115
Queensland Government Information and Communication Technology Services	6,7,8	603	629	681
Total services		**934**	**943**	**1,006**
BUSINESS UNITS				
QBuild	9,10	2,780	2,894	2,780
Project Services	11,12	722	727	696
QFleet		125	125	125
CITEC	13,14	761	775	720
Goprint		61	61	61
Sales and Distribution Services (SDS)		129	129	129
Total business units		**4,578**	**4,711**	**4,511**
SHARED SERVICE PROVIDER				
Shared Service Agency	15,16	1,370	1,290	-
CorpTech	15	412	413	-
Queensland Shared Services		-	-	1,641
Total shared service provider		**1,782**	**1,703**	**1,641**
Corporate Services (recovered from services, business units and Department of Communities)	17,18	**333**	**349**	**333**
Total		**7,627**	**7,706**	**7,491**

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. The service area, Building Procurement and Asset Management has been renamed Building Services.
3. The decrease in the 2010-11 Estimated actual from the 2010-11 Budget is due to the completion of project-related activities.
4. The increase in the 2011-12 Estimate from the 2010-11 Estimated actual is due to the filling of vacant positions in the Building Policy Unit to meet the department's building industry responsibilities and the transfer of Contracts Services staff from Corporate and Executive Services to Building Services.
5. The increase in the 2011-12 Estimate from the 2010-11 Estimated actual is due to the finalisation of recruitment activities related to the 2010 restructure, including temporary project resources.
6. The three services of Information and Communication Technology (ICT) Strategies, Public Records Management and Advisory Services, and Access to Government Services and Information have been combined into one service, Queensland Government Information and Communication Technology Services.
7. The increase in the 2010-11 Estimated actual from the 2010-11 Budget is due to additional temporary resources required to support the flood and cyclone crisis and the transitioning of State Penalties Enforcement Registry (SPER) staff.
8. The increase in the 2011-12 Estimate from the 2010-11 Estimated actual is due to the completion of the transitioning of SPER staff from the Department of Justice and Attorney-General to Smart Service Queensland.
9. The increase in the 2010-11 Estimated actual from the 2010-11 Budget is due to increased volume of work and response to natural disasters.
10. The decrease in the 2011-12 Estimate from the 2010-11 Estimated actual is due to an anticipated reduction in workloads and identified streamlining opportunities.
11. The increase in the 2010-11 Estimated actual from the 2010-11 Budget is due to an increased program of work.
12. The decrease in the 2011-12 Estimate from the 2010-11 Estimated actual is due to a reduced program of work.
13. The increase in the 2010-11 Estimated actual from the 2010-11 Budget is due to additional temporary resources required to support whole-of-Government ICT service delivery initiatives Identity, Directory and Email Services (IDES) and ICT Consolidation (ICTC).
14. The decrease in the 2011-12 Estimate from the 2010-11 Estimated actual is due to the completion of whole-of-Government ICT service delivery initiatives (IDES and ICTC).
15. Under the revised shared service direction, the Department of Public Works has merged CorpTech and the Shared Service Agency to form Queensland Shared Services as at 1 July 2011 and will be transferring functions to the Department of Education and Training by July 2011. Planning is underway to transition functions to Queensland Health in 2012.

16. The decrease in the 2010-11 Estimated actual from the 2010-11 Budget is due to a reduction in staffing resources required to provide services to government clients and a small number of voluntary redundancies.
17. The increase in the 2010-11 Estimated actual from the 2010-11 Budget is due to additional temporary resources required to meet internal ICT project demands, the filling of vacant positions and additional temporary project staff in other work areas.
18. The decrease in the 2011-12 Estimate from the 2010-11 Estimated actual is due to the transfer of internal ICT staff to other government agencies, the completion of internal ICT projects, the completion of other project-related activities in other work areas and the transfer of Contract Services staff from Corporate and Executive Services to Building Services.

2011-12 SERVICE SUMMARY[1]

Service area	Total cost $'000	Sources of revenue			
		State Contribution $'000	User charges $'000	C'wealth revenue $'000	Other revenue $'000
Building Services	514,959	(12,943)	525,309	..	32,593
Procurement Services	24,329	9,080	15,249	..	..
Queensland Government Information and Communication Technology Services	123,693	96,184	26,705	337	467
Total[2]	**662,981**	**92,321**	**567,263**	**337**	**33,060**

Notes:
1. Explanations of variances are provided in the departmental financial statements.
2. The total of the sources of revenue columns does not equal the Total income in the departmental financial statements because transactions have been eliminated on consolidation in the departmental financial statements. In addition, there are corporate services provided to the Department of Communities, business units and Queensland Shared Services of the Department of Public Works and the revenues and costs associated with these services are not included in the above service summary.

DEPARTMENTAL STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Building Services				
Service standards				
Accommodation Services				
Return on investment				
• commercial properties included in the office portfolio		6.5%	6.5%	6.5%
• government employee housing	1	2.2%	2.9%	2.2%
Vacancy rate				
• office portfolio	2,3	≤ 2.5%	1.06%	≤ 2.5%
• government employee housing	3,4	≤3.0%	1.8%	≤3.0%
Energy consumption per employee occupying office space (in the owned office portfolio)	5	New measure	New measure	≤ 3750 kwh per annum
Strategic Projects				
Strategic projects facilitated efficiently and effectively:				
• on time		≥90%	95%	≥90%
• on budget		≥90%	95%	≥90%
Building Policy				
Percentage of defaults by pre-qualified building industry contractors on government building projects		≤ 2%	0.2%	≤ 2%
Other measures				
Accommodation Office				
Work point density	6	New measure	New measure	≤15m^2 per person
Value of lease incentives for new leases with the private sector	7	New measure	New measure	≥ $10M
Procure green leases over 2,000 m^2	8	New measure	New measure	≥ 90%
Technical Services				
Whole-of-Government built environment information system availability		≥95%	98%	≥95%
Whole-of-department emergency/disaster and continuity management plans are reviewed and evaluated annually	9	Amended measure	Amended measure	100%
State contribution ($000)	10,13	**(17,547)**	**(4,538)**	**(12,943)**
Other revenue ($000)	11,14	**490,798**	**492,202**	**557,902**
Total cost ($000)	10,12,15	**473,251**	**487,664**	**514,959**

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Procurement Services				
Service standards				
Client satisfaction	16	New measure	New measure	…
Savings and benefits delivered under existing and new arrangements to Government	17	$75 million	$62 million	≥ $77 million
Whole-of-Government procurement benefits as a percentage of total spend per year	18	New measure	New measure	≥ 4%
Achievement of benefit target ($) – Travel Management System	19	New measure	New measure	≥ $7.1 million
Achievement of benefit target ($) – Print Management Unit	20	New measure	New measure	≥ $6.9 million
Other measures				
Percentage uptake of procurement capability performance assessment recommendations by agencies	21	New measure	New measure	≥ 75%
State contribution ($000)	22,25,27	**12,301**	**15,471**	**9,080**
Other revenue ($000)	23,26,28	**12,850**	**6,975**	**15,249**
Total cost ($000)	24,29	**25,151**	**22,446**	**24,329**
Service Area: Queensland Government Information and Communication Technology Services				
Service standards				
Governance				
Client satisfaction	16,30	New measure	New measure	…
Accessibility				
Customer satisfaction with the services delivered by Smart Service Queensland	30	80%	80%	≥ 80%
Customer satisfaction with historical record services	30,46	New measure	New measure	…
Capability				
Agency alignment to whole-of-Government ICT policies, positions and targets	31	New measure	New measure	≥ 85%
Other measures				
Accessibility				
Volume of interactions with Smart Service Queensland service delivery channels:				
• telephone		3,200,000	3,350,000	≥ 3,500,000
• online	32,33	2,000,000	10,300,000	≥ 9,500,000
• face-to-face		300,000	345,000	≥350,000
• processing (including cards and concessions)	34,35	1,060,000	1,010,000	≥1,015,000

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Number of public customers accessing government records				
• online	36	440,000	440,000	≥ 460,000
• walk-in	37	6,800	6,300	≥ 6,300
State contribution ($000)	38,41,44	**99,022**	**101,247**	**96,184**
Other revenue ($000)	39,42,45	**13,872**	**23,788**	**27,509**
Total cost ($000)	40,43	**112,894**	**125,035**	**123,693**

Notes:

1. The increase in the 2010-11 Estimated actual from the 2010-11 Target/estimate for return on investment for government employee housing is due to increased income as a result of rent reviews while expenses have remained stable.
2. The decrease in the 2010-11 Estimated actual from the 2010-11 Target/estimate for vacancy rate for office portfolio is due to more effective space use and accommodation management.
3. The target is reflective of industry benchmarks.
4. The decrease in the 2010-11 Estimated actual from the 2010-11 Target/estimate for vacancy rate for government employee housing is due to an increase in agency demand for accommodation.
5. This measure identifies reductions in energy use on a per employee basis across the government estate and will replace the previous measure of building energy consumption.
6. The new measure of work-point density is based on achieving a density of 15m^2 or less on new leases or refurbishment projects in excess of 1,000m^2.
7. The new measure of value of lease incentives for new leases with the private sector indicates the quantum of procurement benefit (or costs avoided) through incentives negotiated on private sector leases.
8. The new measure of procure green leases over 2,000m^2 identifies progressive implementation of the *Queensland Government Sustainable Office Building Rating Policy* and the *Green Lease Policy*.
9. This measure has been amended to better reflect the broader nature of the emergency review process. In the 2010-11 SDS it was reported as Whole-of-department emergency/disaster and continuity management plans are reviewed and evaluated for their accuracy, operational adequacy and alignment to departmental policy, relevant state-wide strategy and policy with a target of review of whole -of-department emergency/disaster and continuity management plans annually. The 2010-11 target was achieved.
10. The increase in the 2010-11 Estimated actual from the 2010-11 Target/estimate is principally due to:
    - funds deferred from 2009-10 to 2010-11 for various projects; and
    - funds approved for various projects and initiatives during the 2010-11 financial year.

    This increase is partly offset by the deferral of funds for various projects from 2010-11 to 2011-12.
11. The increase from the 2010-11 Target/estimate to 2011-12 Target/estimate is mainly due to additional rent revenue from new government owned office buildings and a capital grant from the Queensland Reconstruction Authority for the construction of cyclone shelters in Queensland communities.
12. The increase from the 2010-11 Target/estimate to 2011-12 Target/estimate is mainly due to additional building outgoings associated with new government owned office buildings and a capital grant for the Rockhampton Riverbank redevelopment project.
13. The decrease in the 2011-12 Target/estimate from the 2010-11 Estimated actual is mainly due to:
    - the finalisation of various projects and programs in 2010-11;
    - the carryover of funding from unspent appropriation from 2009-10 into 2010-11; and
    - lower funding required from the Consolidated Fund mainly as a result of additional rent revenue from new government owned office buildings.

    This decrease is partly offset by the deferral of funds for various projects and initiatives into 2011-12 and supplementation approved for various projects and initiatives in 2011-12.
14. The increase in the 2011-12 Target/estimate from the 2010-11 Estimated actual is mainly due to additional rent revenue from new government owned office buildings and a capital grant from the Queensland Reconstruction Authority for the construction of cyclone shelters in Queensland communities.
15. The increase in the 2011-12 Target/estimate from the 2010-11 Estimated actual is mainly due to:
    - additional building outgoings associated with new government owned office buildings;
    - deferral of funds for various projects and initiatives into 2011-12; and
    - supplementation approved for various projects and initiatives in 2011-12.

    This increase is partly offset by the finalisation of various projects and programs in 2010-11 and the carryover of funding from unspent appropriation from 2009-10 into 2010-11.
16. The new measure of client satisfaction is included as a primary measure of effectiveness for the department's service areas. A survey is being developed to ensure a consistent approach to measuring client satisfaction across the department and it includes elements of timeliness, ease of access, staff knowledge and outcome/quality of the service.
17. The decrease in the 2010-11 Estimated actual compared to the 2010-11 Target/estimate for savings and benefits under existing and new arrangements delivered to government is due to reduced whole-of-Government spend on existing arrangements, and extended industry and agency consultation processes for some new arrangements.
18. The new measure of whole-of-Government procurement benefits as a percentage of total spend per year identifies new, additional benefits to government, derived from procurement under new and existing supply arrangements. Benefits represent cash savings and costs avoided by agencies from implementing Procurement Reform Initiative recommendations.
19. The new measure of achievement of benefit target ($) – Travel Management System identifies savings and other benefits to government achieved by a whole-of-Government aggregated procurement strategy for travel expenditure.
20. The new measure of achievement of benefit target ($) – Print Management Unit identifies benefits delivered by aggregation of printing services procurement through the Print Management Unit.
21. The new measure of percentage uptake of Procurement Capability Performance Assessment recommendations by agencies is an indicator of aggregated agency performance.

22. The increase in the 2010-11 Estimated actual from the 2010-11 Target/estimate is mainly due to supplementation to offset reduction in user charges. This increase is partly offset by funds deferred from 2010-11 to 2011-12 for the Procurement Process Reform Initiative project.
23. The decrease in the 2010-11 Estimated actual from the 2010-11 Target/estimate is mainly due to rebates not expected to be generated from new whole-of-Government arrangements due to extended industry and agency consultation and contract negotiation periods. In addition, lower revenue occurred due to reduced travel expenditure across the sector and reduced print spend due to highly competitive pricing obtained through the Print Management System.
24. The decrease in the 2010-11 Estimated actual from the 2010-11 Target/estimate is mainly due to deferred expenditure from 2010-11 to 2011-12 for the Procurement Process Reform Initiative project and the timing of the start-up of a number of new whole-of-Government procurement arrangements due to extended industry and agency consultation and negotiation periods.
25. The decrease from the 2010-11 Target/estimate to 2011-12 Target/estimate is mainly due to funding provided in 2010-11 for the Procurement Process Reform Initiative project which has partly been offset by deferral of funds for this project to 2011-12.
26. The increase from the 2010-11 Target/estimate to 2011-12 Target/estimate is mainly due to additional rebates generated on new or recently implemented whole-of-Government Standing Offer Arrangements and expected increased usage on existing whole-of-Government Arrangements by non-budget sector agencies, as well as additional rebates from the increased utilisation of the Print Management System by agencies.
27. The decrease in the 2011-12 Target/estimate from the 2010-11 Estimated actual is mainly due to a once off supplementation funding in 2010-11.
28. The increase in the 2011-12 Target/estimate from the 2010-11 Estimated actual is mainly due to additional rebates generated on recently implemented whole-of-Government Standing Offer Arrangements and expected increased usage on existing whole-of-Government Arrangements by non-budget sector agencies, as well as additional rebates from the increased utilisation of the Print Management System and Travel Management System by agencies.
29. The increase in the 2011-12 Target/estimate from the 2010-11 Estimated actual is mainly due to additional temporary project staff required to further progress and implement priority whole-of-Government Standing Offer Arrangements.
30. Client satisfaction refers to internal to government client agencies while customer satisfaction refers to external to government public customers.
31. The new measure of agency alignment to whole-of-Government ICT policies, positions and targets indicates the percentage of agencies aligned to whole-of-Government ICT policies, mandated positions and targets that comprise the Queensland Government Enterprise Architecture.
32. The increase in the 2010-11 Estimated actual from the 2010-11 Target/estimate for online interactions is due to a review of the counting measures for qld.gov.au to include the Smart Service Queensland managed whole-of-Government search engine and provide a holistic capture of interactions with the Queensland public. In addition, online traffic increased significantly as a result of the Queensland floods in January 2011 and Tropical Cyclone Yasi in February 2011.
33. The decrease in the 2011-12 Target/estimate from the 2010-11 Estimated actual for online interactions is due to forecasting business as usual interactions excluding flood and cyclone related transactions.
34. The measure of volumes of interactions with Smart Service Queensland delivery channels – processing (including cards and concessions) was previously reported in the 2010-11 SDS as two separate measures (number of cards issued to eligible Queenslanders and number of concession services provided to eligible Queenslanders).
35. The decrease in the 2010-11 Estimated actual from the 2010-11 Target/estimate for volume of interactions with Smart Service Queensland – processing (including cards and concessions) is due to a recent eligibility verification data cleanse, which revealed some customers were no longer eligible to receive a concession but were previously included in recipient numbers indicated by energy retailers.
36. The increase in the 2011-12 Target/estimate from the 2010-11 Estimated actual for the number of public customers accessing government records – online is due to the expectation that the number or clients accessing Queensland State Archives services online will continue to grow as the quantity and quality of online resources continues to expand, and as government agencies and other cultural institutions refer clients to the Queensland State Archives' web site. Increasing Queensland State Archives' online presence is a core strategy.
37. The decrease in the 2010-11 Estimated actual compared to the 2010-11 Target/estimate for the number of public customers accessing government records – walk-in is due to less customers accessing services and resources at Runcorn as the quantity and quality of material is digitised and made available online, and clients are able to access material remotely.
38. The increase in the 2010-11 Estimated actual from the 2010-11 Target/estimate is principally due to:
    - funds deferred from 2009-10 to 2010-11 for various projects;
    - additional funding received for the Telecommunications, Broadband and Digital Economy Coordination Office function; and
    - recovery from agencies for the additional usage of Microsoft products under the whole-of-Government Microsoft Arrangement.

    This increase is partly offset by the deferral of funds for various projects from 2010-11 to 2011-12.
39. The increase in the 2010-11 Estimated actual from the 2010-11 Target/estimate is mainly due to the growth of the Smart Service Queensland contact centres, an increase in the fee for service charges for Smart Service Queensland and a full year of revenue for the Queensland Government Service Centre Brisbane site.
40. The increase in the 2010-11 Estimated actual from the 2010-11 Target/estimate is mainly due:
    - funds deferred from 2009-10 to 2010-11 for various projects;
    - the growth of the contact centres and the integration of new services into Smart Service Queensland;
    - additional funding received for the Telecommunications, Broadband and Digital Economy Coordination Office function; and
    - recovery from agencies for the additional usage of Microsoft products under of the whole-of-Government Microsoft Arrangement.

    This increase is partly offset by the deferral of funds for various projects from 2010-11 to 2011-12.

41. The decrease from the 2010-11 Target/estimate to 2011-12 Target/estimate is mainly due to:
    - finalisation of various projects and programs in 2010-11; and
    - unspent 2009-10 appropriation funding deferred to 2010-11 mainly for the Right to Information implementation initiative, whole-of-Government Microsoft Arrangement projects and the implementation of the ICT Strategy 2009-2014.

    This decrease is partly offset by base supplementation funding for the increased rent and outgoing costs for the Smart Service Queensland 127 Creek Street Brisbane premises and Queensland Government service centres fixed operating costs.
42. The increase from the 2010-11 Target/estimate to 2011-12 Estimate is mainly due to the growth of Smart Service Queensland contact centre services, an increase in the fee for service charges for Smart Service Queensland and a full year of revenue for the Queensland Government Service Centres Brisbane site.
43. The increase from the 2010-11 Target/estimate to 2011-12 Target/estimate is mainly due to:
    - the growth of Smart Service Queensland contact centre and the integration of new services within Smart Service Queensland;
    - the transfer of the call centre for the State Penalty Enforcement Registry (SPER) from the Department of Justice and Attorney-General; and
    - an organisational restructure of the former Queensland Government Chief Information Office.
44. The decrease in the 2011-12 Target/estimate from the 2010-11 Estimated actual is mainly due to:
    - finalisation of various projects and programs in 2010-11;
    - unspent 2009-10 appropriation funding deferred to 2010-11 mainly for the Right to Information implementation initiative, whole-of-Government Microsoft Arrangement projects and the implementation of the ICT Strategy 2009-2014; and
    - recovery from agencies in 2010-11 for the additional usage of Microsoft products under the whole-of-Government Microsoft Arrangement.

    This decrease is partly offset by base supplementation funding for the increased rent and outgoing costs for the Smart Service Queensland 127 Creek Street Brisbane premises, Queensland Government Service Centres fixed operating costs, and additional funding in 2011-12 for the Telecommunications, Broadband and Digital Economy Coordination Office, Public Sector ICT Development Office and ICT Policy and Co-ordination Office functions.
45. The increase in the 2011-12 Target/estimate from the 2010-11 Estimated actual is mainly due to additional fee for service charges by Smart Service Queensland for the transfer of the call centre for SPER from the Department of Justice and Attorney-General.
46. The new measure of customer satisfaction is included as a primary measure of effectiveness for the department's service areas. A survey is being developed which will include elements of timeliness, ease of access, staff knowledge and outcome/quality of the service.

INCOME STATEMENT

Department of Public Works	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue	1, 9,19	93,776	110,406	92,658
User charges	10,20	546,815	546,227	598,004
Grants and other contributions	2,11,21	52	519	30,467
Other revenue	3,12	2,807	6,366	4,040
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**643,450**	**663,518**	**725,169**
Expenses				
Employee expenses	4,13,22	119,593	126,176	136,147
Supplies and services	5,14,23	455,830	465,030	480,934
Grants and subsidies	6,15,24	4,284	6,866	8,869
Depreciation and amortisation		56,167	55,855	61,690
Finance/borrowing costs	7,16	5,771	4,707	4,349
Other expenses	8,17	1,805	4,884	3,180
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**643,450**	**663,518**	**695,169**
OPERATING SURPLUS/(DEFICIT)	18,25	**..**	**..**	**30,000**

STATEMENT OF CHANGES IN EQUITY

Department of Public Works	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation surplus		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period	18,25	..	..	30,000
Total recognised income and expense for the period		**..**	**..**	**30,000**
Equity injection/(withdrawal)	27,28	75,532	76,944	41,584
Equity adjustments (MoG transfers)	26,29	..	114,638	..
Total movement in equity for period		**75,532**	**191,582**	**71,584**

BALANCE SHEET

Department of Public Works	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	30,50	28,557	47,689	23,076
Receivables	31,39	47,072	43,501	44,628
Other financial assets		..	..	..
Inventories		..	..	..
Other	32,40	25,450	29,178	29,540
Non-financial assets held for sale	33,41,51	6,053	3,925	1,000
Total current assets		**107,132**	**124,293**	**98,244**
NON-CURRENT ASSETS				
Receivables		7,426	7,490	7,400
Other financial assets		..	..	..
Property, plant and equipment		2,971,939	2,954,132	3,031,837
Intangibles	34,42	4,790	14,098	15,069
Other		..	..	..
Total non-current assets		**2,984,155**	**2,975,720**	**3,054,306**
TOTAL ASSETS		**3,091,287**	**3,100,013**	**3,152,550**
CURRENT LIABILITIES				
Payables	35,43	40,853	34,384	35,128
Accrued employee benefits		3,795	3,302	3,403
Interest-bearing liabilities and derivatives	44,52	20,064	19,978	13,925
Provisions		..	..	..
Other	36,45	1,617	44,369	44,649
Total current liabilities		**66,329**	**102,033**	**97,105**
NON-CURRENT LIABILITIES				
Payables		2,257	2,257	1,733
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives	46,53	49,625	51,189	37,594
Provisions		..	..	..
Other		177	..	..
Total non-current liabilities		**52,059**	**53,446**	**39,327**
TOTAL LIABILITIES		**118,388**	**155,479**	**136,432**
NET ASSETS/(LIABILITIES)		**2,972,899**	**2,944,534**	**3,016,118**
EQUITY				
Capital/contributed equity	37,47	1,131,055	1,252,731	1,294,315
Accumulated surplus/(accumulated deficit)	48,54	598,236	600,449	630,449
Reserves:				
- Asset revaluation surplus	38,49	1,243,608	1,091,354	1,091,354
- Other (specify)		..	..	..
TOTAL EQUITY		**2,972,899**	**2,944,534**	**3,016,118**

CASH FLOW STATEMENT

Department of Public Works	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts	55,61,70	93,776	131,168	92,658
User charges	62,71	567,320	566,732	618,428
Grants and other contributions	63,72	52	519	30,467
Other		5,307	8,866	6,540
Outflows:				
Employee costs	56,64,73	(119,013)	(125,596)	(135,746)
Supplies and services	57,65,74	(476,428)	(509,400)	(501,272)
Grants and subsidies	66	(5,009)	(7,591)	(9,543)
Borrowing costs		(5,771)	(4,707)	(4,349)
Other	58	(4,917)	(7,996)	(6,291)
Net cash provided by/(used in) operating activities		**55,317**	**51,995**	**90,892**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment	59,75	1,050	11,840	3,975
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	67,76	(114,237)	(118,234)	(141,416)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(113,187)**	**(106,394)**	**(137,441)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings	60,77	..	16,306	330
Equity injections	68,78	75,532	79,954	41,584
Outflows:				
Borrowing redemptions	69,79	(24,807)	(23,418)	(19,978)
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**50,725**	**72,842**	**21,936**
Net increase/(decrease) in cash held		**(7,145)**	**18,443**	**(24,613)**
Cash at the beginning of financial year		**35,702**	**29,246**	**47,689**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**28,557**	**47,689**	**23,076**

ADMINISTERED INCOME STATEMENT

Department of Public Works	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Revenues				
Commonwealth grants		..	..	..
Taxes, fees and fines		..	..	..
Royalties, property income and other territorial Revenue		..	..	..
Interest		..	..	..
Administered revenue	80,86,89	42,953	66,547	47,555
Other	81,90	5,928	11,863	5,499
Total revenues		**48,881**	**78,410**	**53,054**
Expenses				
Supplies and services	91	27,591	26,264	30,120
Depreciation and amortisation		..	..	..
Grants and subsidies	82,92	16,290	45,522	22,934
Benefit payments		..	..	..
Borrowing costs		..	..	..
Other	83,93	..	12,896	..
Total expenses		**43,881**	**84,682**	**53,054**
Net surplus or deficit before transfers to Government	84,87,94	**5,000**	**(6,272)**	**..**
Transfers of administered revenue to Government	85,88,95	**5,000**	**6,624**	**..**
OPERATING SURPLUS/(DEFICIT)		**..**	**(12,896)**	**..**

ADMINISTERED BALANCE SHEET

Department of Public Works	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets		..	..	..
Receivables		..	..	..
Inventories		..	..	..
Other		..	..	..
Non-financial assets held for sale		..	..	..
Total current assets		**..**	**..**	**..**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		..	..	..
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**..**	**..**	**..**
TOTAL ADMINISTERED ASSETS		**..**	**..**	**..**
CURRENT LIABILITIES				
Payables		..	..	..
Transfers to Government payable		..	..	..
Interest-bearing liabilities		..	..	..
Other		..	..	..
Total current liabilities		**..**	**..**	**..**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Interest-bearing liabilities		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL ADMINISTERED LIABILITIES		**..**	**..**	**..**
ADMINISTERED NET ASSETS/(LIABILITIES)		**..**	**..**	**..**
EQUITY				
Capital/Contributed equity	96,98	33,095	45,991	45,991
Accumulated surplus/(Accumulated deficit)	97,99	(33,095)	(45,991)	(45,991)
Reserves:		..	..	..
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL ADMINISTERED EQUITY		**..**	**..**	**..**

ADMINISTERED CASH FLOW STATEMENT

Department of Public Works	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Administered item receipts	100,106,113	42,953	80,836	47,555
Grants and other contributions	101,107	..	4,311	4,571
Taxes, fees and fines		..	..	..
Royalties, property income and other territorial revenues		..	..	..
Other	108,114	5,928	8,004	928
Outflows:				
Transfers to Government	109,115	(5,000)	(6,624)	..
Grants and subsidies	102,110,116	(16,290)	(45,522)	(22,934)
Supplies and services	103	(27,591)	(30,812)	(30,120)
Borrowing costs		..	..	..
Other		..	..	..
Net cash provided by/(used in) operating activities		**..**	**10,193**	**..**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**..**	**..**	**..**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	104,111,117	34,553	30,552	17,726
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	105,112,118	(34,553)	(31,819)	(17,726)
Net cash provided by/(used in) financing activities		**..**	**(1,267)**	**..**
Net increase/(decrease) in cash held		**..**	**8,926**	**..**
Administered cash at beginning of financial year		**..**	**(8,926)**	**..**
Cash transfers from restructure		..	..	..
Administered cash at end of financial year		**..**	**..**	**..**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. The increase is mainly due to the carryover of funding from 2009-10 for various programs, and funds approved for various projects and initiatives during the 2010-11 financial year. This increase is partly offset by the deferral of funds for various projects from 2010-11 to 2011-12.
2. The increase is a result of a contribution from the Department of Communities for the delivery of the seniors card service.
3. The increase is principally due to the recoveries from the ICT Innovation Fund for the In-demand Roles Program and the IT Architecture and Planning Project.
4. The increase is mainly due to:
   - the growth of the contact centre and the integration of new services into Smart Service Queensland;
   - additional staff for the organisational restructure of the Information Services Directorate; and
   - funding to resource the Telecommunications, Broadband and Digital Economy Coordination Office function.
5. The increase is primarily due to expenses relating to various projects that were deferred from 2009-10 to 2010-11. The increase is partly offset by the deferral of funds from 2010-11 to 2011-12.
6. The increase is mainly due to the design works on the Riverbank Redevelopment Stage II program in Rockhampton.
7. The decrease is mainly due to the deferral of loans relating to the improvement of energy efficiency in government buildings as a result of the utilisation of cash on hand instead of borrowings.
8. The increase mainly relates to re-allocation of costs from supplies and services to other expenses by Smart Service Queensland.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

9. The decrease is mainly due to:
   - the finalisation of various projects and programs in 2010-11; and
   - lower funding required from the Consolidated Fund mainly as a result of additional rent revenue from new government owned office buildings.

   This decrease is partly offset by the deferral of funds into 2011-12 and supplementation approved for various projects and initiatives in 2011-12.
10. The increase is primarily due to:
    - additional rent revenue from new government owned office buildings; and
    - the growth of Smart Service Queensland contact centre services, an increase in the fee for service charges for Smart Service Queensland and a full year of revenue for the Queensland Government Service Centre Brisbane site.
11. The increase is mainly due to a capital grant from the Queensland Reconstruction Authority for the construction of cyclone shelters in Queensland communities.
12. The increase is mainly due to Tenant Make Good income not budgeted for in 2010-11.
13. The increase is mainly due to:
    - the growth of the contact centre services and the integration of new services within Smart Service Queensland;
    - the transfer of the call centre for the State Penalty Enforcement Registry (SPER) from the Department of Justice and Attorney-General;
    - additional staff for the organisational restructure of the Information Services Directorate;
    - an organisational restructure of the former Queensland Government Chief Information Office; and
    - an Enterprise Bargaining Agreement pay increase of 4% effective from August 2011.
14. The increase is mainly due to additional building outgoings associated with new government owned office buildings.
15. The increase is mainly due to a capital grant for the Rockhampton Riverbank redevelopment project. This increase is partly offset by a payment in 2010-11 for the new premises of the Royal Society for the Prevention of Cruelty to Animals (RSPCA).
16. The decrease is mainly due to a lower loan balance.
17. The increase mainly relates to the re-allocation of costs from supplies and services to other expenses by Smart Service Queensland.
18. The increase is mainly due to a capital grant from the Queensland Reconstruction Authority for the construction of cyclone shelters in Queensland communities.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

19. The decrease is mainly due to:
    - the finalisation of various projects and programs in 2010-11; and
    - lower funding required from the Consolidated Fund mainly as a result of additional rent revenue from new government owned office buildings.

    This decrease is partly offset by the supplementation approved for various projects and initiatives in 2011-12.
20. The increase is primarily due to:
    - additional rent revenue from new government owned office buildings;
    - full year effect of recently implemented whole-of-Government Standing Offer Procurement Arrangements and expected increased usage on existing whole-of-Government Procurement Arrangements by non-budget sector agencies; and
    - increased agency utilisation of the Travel Management System and Print Management System.
21. The increase is mainly due to a capital grant from the Queensland Reconstruction Authority for the construction of cyclone shelters in Queensland communities.
22. The increase is mainly due to:
    - an organisational restructure of the former Queensland Government Chief Information Office;
    - an Enterprise Bargaining Agreement pay increase of 4% effective from August 2011; and
    - the additional staff associated with the transfer of the call centre for SPER from the Department of Justice and Attorney-General to Smart Service Queensland which will be recovered from additional service charges.
23. The increase is mainly due to additional building outgoings associated with new government owned office buildings.
24. The increase is mainly due to a capital grant for the Rockhampton Riverbank redevelopment project. This increase is partly offset by a payment in 2010-11 for the new premises for the RSPCA.

25. The increase is mainly due to a capital grant from the Queensland Reconstruction Authority for the construction of cyclone shelters in Queensland communities in 2011-12.

Statement of Changes in Equity

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

26. The increase is due to the transfer of the Ecosciences Precinct buildings at Dutton Park Brisbane from the Department of Employment, Economic Development and Innovation (DEEDI). This increase is partly offset by the transfer of the prepaid lease liability incurred by DEEDI for the Ecosciences building and a once off transfer of the City Reach Wet Leases from Controlled to Administered items.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

27. The decrease is mainly due to:
    - the finalisation of projects in 2010-11 including the Cairns and Thursday Island government office buildings, the Dandiiri Joint Contact Centre at Zillmere Brisbane and the Boggo Road Brisbane redevelopment; and
    - lower expenditure on the Maroochydore government office building and the Mareeba government office building and learning centre as both are nearing completion in 2011-12.

    This decrease is partly offset by funding for the Decentralisation initiative – accommodation projects in 2011-12.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

28. The decrease is mainly due to:
    - the finalisation of projects in 2010-11 including the Cairns and Thursday Island government office buildings, the Dandiiri Joint Contact Centre at Zillmere Brisbane and the Boggo Road Brisbane redevelopment; and
    - lower expenditure on the Maroochydore government office building and the Mareeba government office building and learning centre as both are nearing completion in 2011-12.

    This decrease is partly offset by funding for the Decentralisation initiative – accommodation projects in 2011-12.
29. The decrease is due to the transfer of the Ecosciences Precinct buildings at Dutton Park from DEEDI in 2010-11. This decrease is partly offset by the transfer of the prepaid lease liability incurred by DEEDI for the Ecosciences building and a once off transfer of the City Reach Wet Leases from Controlled to Administered items in 2010-11.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

30. The increase is mainly due to loans drawn down relating to the improvement of energy efficiency in government buildings and additional asset sale proceeds, which is partially offset by the actual July 2010 opening balance adjustments.
31. The decrease is mainly due to a lower than anticipated level of tenancy and other debtors actual balances brought forward at 30 June 2010.
32. The increase is principally due to higher prepayments as a result of an increase in building outgoings.
33. The decrease is due to an earlier than anticipated sale of the Gympie Conference Centre.
34. The increase is mainly due higher than anticipated acquisitions in Smart Service Queensland and lower than anticipated amortisation expenses in the former Queensland Government Chief Information Office in 2009-10 which affected the actual opening balance at July 2010.
35. The decrease is principally due to timing differences in payments.
36. The increase is mainly due to the transfer of the prepaid lease liability from DEEDI for the Ecosciences building.
37. The increase is mainly due to the transfer of the Ecosciences Precinct buildings at Dutton Park Brisbane from DEEDI. This increase is partly offset by the transfer of the prepaid lease liability incurred by DEEDI for the Ecosciences building.
38. The decrease is due to the devaluation of land and buildings as at the end of June 2010.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

39. The decrease is primarily due to the settlement of the debt in 2011-12 for the construction of a new multicultural centre at Kangaroo Point.
40. The increase is mainly due to higher prepayments as a result of an increase in building outgoings.
41. The decrease is due to additional budgeted assets held for sale in 2010-11.
42. The increase is mainly due to higher than anticipated acquisitions in Smart Service Queensland and lower than anticipated amortisation expenses in the former Queensland Government Chief Information Office in 2009-10 which affected the actual opening balance at July 2010.
43. The decrease is mainly due to timing differences in payments.
44. The decrease is mainly due to loan repayments.
45. The increase is mainly due to the transfer of the prepaid lease liability from DEEDI for the Ecosciences building.
46. The decrease is due to the overall reduction on the outstanding loans.
47. The increase is mainly due to the transfer of the Ecosciences Precinct buildings at Dutton Park Brisbane from DEEDI and funding received for the Decentralisation initiative – accommodation projects in 2011-12. This increase is partly offset by the transfer of the prepaid lease liability incurred by DEEDI for the Ecosciences building.
48. The increase is mainly due to a capital grant from the Queensland Reconstruction Authority for the construction of cyclone shelters in Queensland communities.
49. The decrease is due to the devaluation of land and buildings as at the end of June 2010.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

50. The decrease is mainly due to additional capital projects funded from previous year's asset sale proceeds.
51. The decrease is due to an asset held for sale in 2010-11 for 77 Grey Street, South Brisbane anticipated to be sold during 2011-12.
52. The decrease is mainly due to loan repayments.
53. The decrease is mainly due to the near finalisation of some loans. This is partly offset by the deferral of loans from 2009-10 into 2010-11 relating to the improvement of energy efficiency in government buildings.
54. The increase is mainly due to a capital grant from the Queensland Reconstruction Authority for the construction of cyclone shelters in Queensland communities.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

55. The increase is mainly due to:
    - the receipt of funds relating to invoices accrued as at 30 June 2010;
    - carryover of funding from 2009-10 for various programs; and
    - funds approved for various projects and initiatives during the 2010-11 financial year.

    This increase is partly offset by the deferral of funds for various projects from 2010-11 to 2011-12.
56. The increase is mainly due to:
    - the growth of the contact centre services and the integration of new services into Smart Service Queensland;
    - additional staff for the organisational restructure of the Information Services Directorate; and
    - funding to resource the Telecommunications, Broadband and Digital Economy Coordination Office function.
57. The increase is primarily due to the payment of invoices accrued as at 30 June 2010, and expenses relating to various projects that were deferred from 2009-10 to 2010-11. These increases are partly offset by the deferral of funds from 2010-11 to 2011-12.
58. The increase mainly relates to re-allocation of costs from supplies and services to other expenses by Smart Service Queensland.
59. The increase is mainly due to additional government housing sales and the sale of both the Gympie Conference Centre and the Boggo Road Urban Village Lot 8.
60. The increase is principally due to the deferral of the drawdown of loans from 2009-10 into 2010-11 relating to the improvement of energy efficiency in government buildings.

Major variations between 2010-11 Budget and the 2011-12 Estimate include:

61. The decrease is mainly due to:
    - the finalisation of various projects and programs in 2010-11; and
    - lower funding required from the Consolidated Fund mainly as a result of additional rent revenue from new government owned office buildings.

    This decrease is partly offset by the deferral of funds for various projects and initiatives into 2011-12 and supplementation approved for various projects and initiatives in 2011-12.
62. The increase is primarily due to:
    - additional rent revenue from new government owned office buildings; and
    - the growth of the Smart Service Queensland contact centre, an increase in the fee for service charges for Smart Service Queensland and a full year of revenue for the Queensland Government Service Centre Brisbane site.
63. The increase is mainly due to a capital grant from the Queensland Reconstruction Authority for the construction of cyclone shelters in Queensland communities.
64. The increase is mainly due to:
    - the growth of the contact centre and the integration of new services into Smart Service Queensland;
    - the transfer of the call centre for SPER from the Department of Justice and Attorney-General;
    - additional staff for the organisational restructure of the Information Services Directorate;
    - an organisational restructure of the former Queensland Government Chief Information Office; and
    - an Enterprise Bargaining Agreement pay increase of 4% effective from August 2011.
65. The increase is mainly due to the additional building outgoings associated with new government owned office buildings.
66. The increase is mainly due to a capital grant for the Rockhampton Riverbank redevelopment project. This increase is partly offset by a payment in 2010-11 for the new premises of the RSPCA.
67. The increase is mainly due to:
    - the funds approved for various projects and initiatives in 2011-12 including funding for the Decentralisation initiative;
    - accommodation projects; and
    - the construction of cyclone shelters in Queensland communities.

    This increase is partly offset by finalisation of projects in 2010-11 including the Cairns and Thursday Island government office buildings, the Dandiiri Joint Contact Centre at Zillmere Brisbane and the Boggo Road Brisbane redevelopment and lower expenditure on the Maroochydore government office building and the Mareeba government office building and learning centre as both are nearing completion in 2011-12.
68. The decrease is mainly due to:
    - the finalisation of projects in 2010-11 including the Cairns and Thursday Island government office buildings, the Dandiiri Joint Contact Centre at Zillmere Brisbane and the Boggo Road Brisbane redevelopment; and
    - lower expenditure on the Maroochydore government office building and the Mareeba government office building and learning centre as both are nearing completion in 2011-12.

    This decrease is partly offset by funds approved for various projects and initiatives in 2011-12 including funding for the Decentralisation Initiative – accommodation projects.
69. The decrease is mainly due to the near finalisation of some loans resulting in lower loan repayments.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

70. The decrease is mainly due to:
    - the finalisation of various projects and programs in 2010-11; and
    - lower funding required from the Consolidated Fund mainly as a result of additional rent revenue from new government owned office buildings.

    This decrease is partly offset by the supplementation approved for various projects and initiatives in 2011-12.
71. The increase is primarily due to:
    - additional rent revenue from new government owned office buildings;
    - full year effect of recently implemented whole-of-Government Procurement Standing Offer Arrangements, and expected increased usage on existing whole-of-Government Procurement Arrangements by non-budget sector agencies; and
    - increased agency utilisation of the Travel Management System and Print Management System.
72. The increase is mainly due to a capital grant from the Queensland Reconstruction Authority for the construction of cyclone shelters in Queensland communities.
73. The increase is mainly due to:
    - an organisational restructure of the former Queensland Government Chief Information Office;
    - an Enterprise Bargaining Agreement pay increase of 4% effective from August 2011; and

- additional staff associated with the transfer of the call centre for SPER from the Department of Justice and Attorney-General to Smart Service Queensland which will be recovered from additional service charges.

74. The decrease is mainly due to the payment of invoices in 2010-11 accrued as at 30 June 2010. This decrease is partly offset by an increase mainly related to additional building outgoings associated with new government owned office buildings.
75. The decrease is mainly due to lower government housing sales and the sale of both the Gympie Conference Centre and the Boggo Road Urban Village Lot 8 in 2010-11.
76. The increase is mainly due to:
    - funds approved for various projects and initiatives in 2011-12 including funding for the Decentralisation initiative – accommodation projects; and
    - the construction of cyclone shelters in Queensland communities.

    This increase is partly offset by the finalisation of projects in 2010-11 including the Cairns and Thursday Island government office buildings, the Dandiiri Joint Contact Centre at Zillmere Brisbane and the Boggo Road Brisbane redevelopment and lower expenditure on Maroochydore government office building and the Mareeba government office building and learning centre as both are nearing completion in 2011-12.
77. The 2010-11 Estimated actual amount mainly represents the deferral of the drawdown of loans from 2009-10 into 2010-11 relating to the improvement of energy efficiency in government buildings. The 2011-12 Estimate relates to the drawdown of a loan for the energy efficiency improvement in the Forestry House building, Brisbane.
78. The decrease is mainly due to:
    - the finalisation of projects in 2010-11 including the Cairns and Thursday Island government office buildings, the Dandiiri Joint Contact Centre at Zillmere Brisbane and the Boggo Road Brisbane redevelopment; and
    - lower expenditure on Maroochydore government office building and the Mareeba government office building and learning centre as both are nearing completion in 2011-12.

    This decrease is partly offset by funds approved for various projects and initiatives in 2011-12 including funding for the Decentralisation Initiative – accommodation projects in 2011-12.
79. The decrease is mainly due to the near finalisation of some loans resulting in lower loan repayments. This is partly offset by the deferral of loans from 2009-10 into 2010-11 relating to the improvement of energy efficiency in government buildings.

Administered income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

80. The increase is mainly due to:
    - carryover of funds from 2009-10 for CorpTech, Shared Service initiatives and Information and Technology Consolidation (ICTC) for CITEC;
    - funds brought forward from 2011-12 for CorpTech; and
    - funding for Natural Disaster Relief and Recovery Arrangement (NDRRA) claims for Queensland Monsoonal Flooding and Tropical Cyclones Olga, Neville, Ului and Paul.

    This increase is partly offset by carryover of funds into 2011-12 for the ICTC project.
81. The increase mainly relates to funding received from the Queensland Reconstruction Authority for NDRRA claims relating to Queensland Floods and Tropical Cyclone Yasi and a contribution from Mirvac upon completion of the Tennyson Overpass.
82. The increase mainly relates to carryover of funds from 2009-10 and funds brought forward from 2011-12 for CorpTech grant funding.
83. The increase relates to the once off transfer of the City Reach Wet Leases to the Brisbane City Council.
84. The decrease relates to the once off transfer of the City Reach Wet Leases to the Brisbane City Council.
    This decrease is partly offset by the contribution from Mirvac upon completion of the Tennyson Overpass.
85. The increase relates to the contribution to the Consolidated Fund from Mirvac upon completion of the Tennyson Overpass.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

86. The increase is mainly due to higher CorpTech grant funding in 2011-12.
87. The decrease is due to the receipt relating to the whole-of-Government telecommunications and ICT arrangements finalising in 2010-11.
88. The decrease is due to the payment to the Consolidated Fund relating to the whole-of-Government telecommunications and ICT arrangements finalising in 2010-11.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

89. The decrease is mainly due to funds brought forward from 2011-12 to 2010-11 relating to CorpTech grant funding.
90. The decrease is due to the receipt relating to the whole-of-Government telecommunications and ICT arrangements finalising in 2010-11 and the contribution from Mirvac upon completion of the Tennyson Overpass in 2010-11.
91. The increase is mainly due to the carryover of funding for the ICTC Project and additional funding to CITEC to undertake discovery and implementation phases for the connectivity of agency ICT systems to the national systems for the National Occupational Licensing System, Australian Business Online Services and National Electronic Conveyancing System.
92. The decrease is mainly due to the funds brought forward from 2011-12 to 2010-11 relating to CorpTech grant funding.
93. The decrease relates to the once off transfer of the City Reach Wet Leases to the Brisbane City Council.
94. The increase is due to the once off transfer of the City Reach Wet Leases to the Brisbane City Council.
    This increase is offset by the receipt relating to the whole-of-Government telecommunications and ICT arrangements finalising in 2010-11 and the contribution from Mirvac upon completion of the Tennyson Overpass in 2010-11.
95. The decrease is due to the payment to the Consolidated Fund relating to the whole-of-Government telecommunications and ICT arrangements finalising in 2010-11 and the contribution from Mirvac upon completion of the Tennyson Overpass in 2010-11.

Administered balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

96. The increase is due to the transfer of the City Reach Wet Leases from Controlled to Administered items.

97. The movement represents the transfer of the City Reach Wet Leases to the Brisbane City Council.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
98. The increase is due to the transfer of the City Reach Wet Leases from Controlled to Administered items.
99. The movement represents the transfer of the City Reach Wet Leases to the Brisbane City Council in 2010-11.

Administered cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
100. The increase is mainly due to:
    - funding relating to the payment of invoices accrued as at 30 June 2010;
    - carryover of funds from 2009-10 for CorpTech, Shared Service initiatives and ICTC project for CITEC;
    - funds brought forward from 2011-12 for CorpTech; and
    - funding for NDRRA claims for Queensland floods and Tropical Cyclones Olga, Neville, Ului and Paul.

    This increase is partially offset by carryover of funds into 2011-12 for the ICTC project.
101. The increase is due to funding received from the Queensland Reconstruction Authority for NDRRA claims relating to the Queensland floods and Cyclone Yasi.
102. The increase mainly relates to carryover of funds from 2009-10 and funds brought forward from 2011-12 relating to CorpTech grant funding.
103. The increase is mainly due to the payment of invoices accrued as at 30 June 2010 and funding for NDRRA claims, which is partly offset by the carryover of funding into 2011-12 for the ICTC project.
104. The decrease is mainly due to a carryover into 2012-13 of funding received from the Consolidated Fund to be paid to CITEC for GovNet and lower debt service payments associated with ICTC projects.
105. The decrease in equity withdrawal is mainly due to funding payments to CITEC for GovNet and debt service payments associated with ICTC projects.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
106. The increase is mainly due to higher Queensland Shared Services (relating to the former CorpTech component) grant funding in 2011-12.
107. The increase is due to funding received from the Queensland Reconstruction Authority for NDRRA claims relating to the Queensland Floods and Cyclone Yasi.
108. The decrease is due to the receipt relating to the whole-of-Government telecommunications and ICT arrangements finalising in 2010-11.
109. The decrease is due to the payment to the Consolidated Fund relating to the whole-of-Government telecommunications and ICT arrangements finalising in 2010-11.
110. The increase is mainly due to higher Queensland Shared Services (relating to the former CorpTech component) grant funding in 2011-12.
111. The decrease is mainly due to lower depreciation funding withdrawal received from Queensland Shared Services (relating to the former CorpTech component) to be returned to the Consolidated Fund.
112. The decrease primarily relates to lower payments to the Consolidated Fund for depreciation funding withdrawal from Queensland Shared Services (relating to the former CorpTech component).

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
113. The decrease is mainly due to funds brought forward for Queensland Shared Services (relating to the former CorpTech component) grant funding from 2011-12 to 2010-11.
114. The decrease is mainly due to receipt relating to the whole-of-Government telecommunications and ICT arrangements finalising in 2010-11 and the contribution from Mirvac upon completion of the Tennyson Overpass received in 2010-11.
115. The decrease is due to the payment to the Consolidated Fund relating to the whole-of-Government telecommunications and ICT arrangements finalising in 2010-11 and the contribution from Mirvac upon completion of the Tennyson Overpass received in 2010-11.
116. The decrease is mainly due to funds brought forward for Queensland Shared Services (relating to the former CorpTech component) grant funding from 2011-12 to 2010-11.
117. The decrease is mainly due to lower depreciation funding from Queensland Shared Services (relating to the former CorpTech component) to be returned to the Consolidated Fund. This decrease is partly offset by higher debt service payments to be paid to CITEC associated with ICTC projects.
118. The decrease primarily relates to lower payments to the Consolidated Fund for depreciation funding from Queensland Shared Services (relating to the former CorpTech component). This decrease is partly offset by higher debt service payments to CITEC associated with ICTC projects.

Commercialised Business Units

QBuild

OVERVIEW

QBuild is responsible for delivering building maintenance and construction services to Queensland Government agencies. It also provides a whole-of-Government response to protect and maintain government infrastructure assets in the event of natural disasters and major incidents and provides other services in the areas of building security, cleaning, horticulture, and the management of Brisbane's Roma Street Parkland. QBuild employs approximately 320 apprentices at any one time with an annual intake of 100 state-wide. A Community Service Obligation of $8.60 million is allocated in support of this initiative for 2011-12.

Key factors and challenges impacting on QBuild include:

- continuing to deliver efficient and effective services to clients by achieving greater flexibility in the management and deployment of resources
- exploring opportunities together with client agencies to enhance service delivery efficiency, ensure successful delivery of maintenance programs and to better understand and manage the emerging environmental challenges on built infrastructure
- stabilising and simplifying QBuild's core operational and business support systems and processes to support efficient and effective service delivery to clients.

REVIEW OF PERFORMANCE

Recent achievements

QBuild's recent achievements include:

- delivering an immediate state-wide response to the clean-up, recovery and rebuilding of government infrastructure following the impacts of the widespread flooding on central, southern and South East Queensland between December 2010 and January 2011, and the impact of Tropical Cyclone Yasi in February 2011. This included asbestos removal from the Tully Heads and Hull Heads region following its devastation
- delivering approximately $309 million in construction and upgrade works on behalf of clients across the state, from the Gold Coast and Sunshine Coast to the Torres Strait, Roma, St George, Innisfail, Warwick, Mt Isa, Cairns, Charters Towers and Palm Island. Works undertaken included housing renewals, office fitouts, new construction, heritage restoration, building upgrades and asbestos removal and replacement
- delivering an estimated $487.5 million of client maintenance programs including:
  - Queensland Government agency annual maintenance programs;
  - Remote Indigenous Housing and Homelessness Program for the Department of Communities;
  - State Schools of Tomorrow Program for the Department of Education and Training;
  - Asbestos Replacement Program for the Department of Education and Training;
  - Remote Asset Maintenance Program for Queensland Health, the Department of Education and Training, and Queensland Police; and
  - the Minister's Maintenance Contingency Program.

- improving program management across the scope of programs for the Department of Education and Training and the Department of Communities, including targeted early completion of projects and implementing contingency plans
- engaging with local Indigenous councils and other agencies to deliver housing upgrades and new construction programs which have provided an average in excess of 20 percent in local Indigenous employment (consistent with the Queensland Government's 20 percent Indigenous Employment Policy)
- progressing partnering arrangements with client agencies to enable QBuild to manage the majority of maintenance work in relation to government-owned employee housing
- initiating and delivered Practical Asbestos Training (PAT), resulting in more than 1,150 QBuild employees now holding a B Class Certificate for the removal of asbestos material. QBuild also delivered operational asbestos awareness sessions to over 1,000 office-based QBuild employees and delivered asbestos awareness sessions to almost 3,000 contractors at metropolitan and regional centres
- attaining national accreditation of the PAT program through the Australian Quality Training Framework. Negotiations are in place to distribute the accredited course and training support resources to registered training organisations to enable delivery of the training to the Queensland building industry sector
- implementing workforce plans and established a register of interest for contractors able to work in Indigenous communities to support resource requirements associated with the delivery of programs within regional and remote centres, particularly in far north Queensland
- supporting the Government's *Toward Q2: Tomorrow's Queensland* vision of a Smart Queensland – *Delivering world-class education and training* by continuing to employ 100 new apprentices and trainees each year. At any one time QBuild employs an average of 320 apprentices and trainees, and since October 1998, a total of 1,439 apprentices and trainees have been employed in the apprentice program
- managing Roma Street Parkland, which attracts over 660,000 visitors each year and hosts on average 250 events a year, including major community events and private functions.

Future developments

During 2011-12, QBuild's primary focus will be to deliver enhanced services to clients and to achieve business efficiencies through stabilising business systems and consolidating and aligning core business processes.

Throughout this period QBuild will continue to:
- deliver client agency annual building maintenance programs
- deliver construction and upgrade programs with particular focus on remote and Indigenous communities
- maintain a state-wide preparedness to support the Queensland Government in the response, clean-up and recovery of government assets and infrastructure resulting from disaster events
- promote a safety culture within QBuild and across its contractor network, particularly as it relates to safe methods for working with or removing asbestos containing material
- develop resource strategies to meet the expectations of clients for the delivery of new residential construction and maintenance in remote communities
- improve business knowledge to better understand emerging environmental challenges to manage the impact on built infrastructure

- support the delivery of remote Indigenous housing outcomes with targeted apprentice intakes and training opportunities in communities where new construction is being delivered.

STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service standards				
Client satisfaction	1	New measure	New measure	..
Financial measures				
Gross profit as a percentage of sales	2,3	11.69%	8.56%	9.99%
Net profit before tax and dividends as a percentage of sales	4,5,6	0.59%	(0.2%)	0.1%
Current ratio	7,8	1.31:1	1.20:1	1.21:1
Gearing level	9	New measure	New measure	..
Other measures				
Percentage of apprentices successfully complete training		80%	80%	≥80%
Percentage of participation in annual apprentice program:				
• first language is other than English	10	New measure	New measure	≥ 2%
• Indigenous	10	New measure	New measure	≥ 15%
• female		≥ 8%	11%	≥ 8%
• indentured outside the metropolitan region		≥ 65%	70%	≥ 65%
Workplace Health and Safety – working days lost	11	1,459	1,632	1,459

Notes:
1. The new measure of client satisfaction is included as a primary measure of effectiveness. A survey is being developed to ensure a consistent approach to measuring client satisfaction across the department and it includes elements of timeliness, ease of access, staff knowledge and outcome/quality of the service.
2. The decrease in the 2010-11 Estimated actual from the 2010-11 Target/estimate for gross profit as a percentage of sales is due to cost reclassifications and lower gross margins expected on most products.
3. The increase in the 2011-12 Target/estimate from the 2010-11 Estimated actual for gross profit as a percentage of sales is due to proposed efficiencies in service delivery.
4. This financial measure was previously reported in the 2010-11 SDS as net profit as a percentage of sales and the description has been amended to ensure consistency with the reporting of net profit across other commercialised business units within the department.
5. The decrease in the 2010-11 Estimated actual from the 2010-11 Target/estimate for net profit before tax and dividends as a percentage of sales is due to lower gross margins expected on most products.
6. The increase in the 2011-12 Target from the 2010-11 Estimated actual for net profit before tax and dividends as a percentage of sales is due to a higher gross margins.
7. The decrease in the 2010-11 Estimated actual from the 2010-11 Target/estimate for current ratio is due to a higher payables balance and other current liabilities balance.
8. The decrease in the 2011-12 Target/estimate from the 2010-11 Target/estimate for current ratio is due to a higher payables balance and other current liabilities balance.
9. The new measure of gearing level is included as a standard financial measure for Commercialised Business Units with borrowings. This measure is not applicable for 2011-12 as QBuild has no net debt.
10. The new measures of percentage of participation in annual apprentice program; first language is other than English and Indigenous is part of the *Toward Q2: Tomorrow's Queensland* Target Delivery Plan for a Smart Queensland – *three out of four Queenslanders will hold trade, training or tertiary qualifications*.
11. The increase in the 2010-11 Estimated actual from the 2010-11 Target/estimate for workplace health and safety – working days lost is a result of a limited number of lengthy injury absences.

INCOME STATEMENT

QBuild	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
User charges	1,7	833,738	888,488	878,745
Grants and other contributions		8,945	8,954	8,736
Other revenue	2,8	1,061	1,409	1,493
Gains on sale/revaluation of property, plant and equipment and investments		13	8	8
Total income		**843,757**	**898,859**	**888,982**
Expenses				
Employee expenses	3,11	233,389	228,954	232,247
Supplies and services	4,9,12	599,652	665,603	650,077
Grants and subsidies		..	..	..
Depreciation and amortisation		3,463	3,732	3,439
Finance/borrowing costs		768	918	752
Other expenses		1,538	1,684	1,732
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**838,810**	**900,891**	**888,247**
Surplus or deficit before related income tax	5,10	**4,947**	**(2,032)**	**735**
Income tax expense/revenue	6	1,235	(483)	214
OPERATING SURPLUS/(DEFICIT) after related income tax		**3,712**	**(1,549)**	**521**

STATEMENT OF CHANGES IN EQUITY

QBuild	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation surplus		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		3,712	(1,549)	521
Total recognised income and expense for the period		**3,712**	**(1,549)**	**521**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Dividends paid or provided		(1,856)	..	(260)
Total movement in equity for period		**1,856**	**(1,549)**	**261**

BALANCE SHEET

QBuild	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	13,20	52,862	7,589	32,009
Receivables	14,21	116,682	164,884	138,787
Other financial assets		..	..	..
Inventories	15,22	25,259	37,423	37,034
Other	23	2,444	1,748	1,344
Non-financial assets held for sale		..	..	..
Total current assets		**197,247**	**211,644**	**209,174**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		4,016	3,912	4,771
Deferred tax assets	16,24,31	4,914	9,660	10,547
Intangibles	25,32	22,627	21,976	19,340
Other		..	..	..
Total non-current assets		**31,557**	**35,548**	**34,658**
TOTAL ASSETS		**228,804**	**247,192**	**243,832**
CURRENT LIABILITIES				
Payables	17,26	85,180	101,145	99,296
Interest-bearing liabilities and derivatives	27,33	2,925	2,885	1,387
Current tax liabilities		..	..	..
Accrued employee benefits		5,154	5,005	5,749
Provisions		..	109	109
Other	18,28	57,198	67,723	66,992
Total current liabilities		**150,457**	**176,867**	**173,533**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Interest-bearing liabilities and derivatives		1,358	1,387	..
Deferred tax liabilities	29	3,682	4,257	5,357
Accrued employee benefits		..	..	..
Provisions		..	19	19
Other		..	..	..
Total non-current liabilities		**5,040**	**5,663**	**5,376**
TOTAL LIABILITIES		**155,497**	**182,530**	**178,909**
NET ASSETS/(LIABILITIES)		**73,307**	**64,662**	**64,923**
EQUITY				
Capital/contributed equity		20,900	20,900	20,900
Accumulated surplus/(accumulated deficit)	19,30	52,407	43,762	44,023
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**73,307**	**64,662**	**64,923**

CASH FLOW STATEMENT

QBuild	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges	34,39,42	878,064	913,232	953,282
Grants and other contributions		8,945	8,954	8,736
Other	35,40	60,826	68,042	66,445
Outflows:				
Employee costs		(232,879)	(227,325)	(230,953)
Supplies and services	36,41	(661,242)	(717,139)	(716,847)
Grants and subsidies		..	..	..
Borrowing costs		(768)	(918)	(752)
Taxation equivalents paid		..	..	..
Other		(48,063)	(52,012)	(50,952)
Net cash provided by/(used in) operating activities		**4,883**	**(7,166)**	**28,959**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		13	8	8
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		(1,783)	(2,200)	(1,662)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(1,770)**	**(2,192)**	**(1,654)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Dividends paid	38	(1,712)	..	..
Borrowing redemptions	37,43	(2,709)	(20,678)	(2,885)
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**(4,421)**	**(20,678)**	**(2,885)**
Net increase/(decrease) in cash held		**(1,308)**	**(30,036)**	**24,420**
Cash at the beginning of financial year		**54,170**	**37,625**	**7,589**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**52,862**	**7,589**	**32,009**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. The increase is due to additional unplanned maintenance work and work on natural disaster events.
2. The increase is due to rent supplementation being provided from the Consolidated Fund not included in the original budget.
3. The decrease is due to lower than budgeted payroll expenses being realised as a result of not all budget positions being filled for the full year.
4. The increase is due to the cost of delivering greater volumes of work.
5. The deficit is due to lower margins and an increase in business system support expenses.
6. The decrease is due to the current year result.

Major variances between 2010-11 Budget and 2011-12 Estimate include:

7. The increase is due to a rise in unplanned maintenance work.
8. The increase in other revenues is due to rent supplementation being provided from the Consolidated Fund not included in the original budget.
9. The increase is due to the cost of delivering greater volumes of work.
10. The decrease is due to lower margins and an increase in business system support expenses.

Major variances between 2010-11 Estimated actual and the 2011-12 Estimate include:

11. The increase is due to the net effect of Enterprise Bargaining Agreements and the timing of filling staff vacancies.
12. The decrease is due to lower volumes of work and changes in the delivery mix.

Balance Sheet

Major variances between 2010-11 Budget and 2010-11 Estimated actual include:

13. The decrease is due to the timing of debtor payments and the lower opening cash balance at the start of the financial year.
14. The increase is due to the timing of debtor payments, particularly in respect of disaster event work.
15. The increase reflects greater volumes of work and the prior year closing balance.
16. The increase is due to the tax effect of prior and current year results.
17. The increase reflects the greater volume of work.
18. The increase reflects the greater volume of work and the prior year closing balance.
19. The decrease is a result of prior and current year results.

Major variances between 2010-11 Budget and 2011-12 Estimate include:

20. The decrease is due to a lower estimated opening balance at the commencement of the financial year.
21. The increase relates to greater volumes of work.
22. The increase relates to greater volumes of work.
23. The decrease reflects changes in the timing of prepayments in the previous financial year.
24. The increase is due to the tax effect of prior and current year results.
25. The decrease reflects a full year of amortisation of intangible assets.
26. The increase reflects the increased volumes of work.
27. The decrease reflects repayment of the long term loan for intangible assets.
28. The increase reflects the additional volumes of work and the prior year closing balance.
29. The increase is due to tax effect of recognising intangible assets.
30. The decrease is a result of the prior and current year results.

Major variances between 2010-11 Estimated actual and the 2011-12 Estimate include:

31. The increase is due to the tax effect of the prior and current year results.
32. The decrease reflects a full year of amortisation on intangible assets.
33. The decrease reflects repayment of the long term loan on intangible assets.

Cash flow statement

Major variances between 2010-11 Budget and 2010-11 Estimated actual include:

34. The increase is due to greater volumes of work from unplanned maintenance and disaster events.
35. The increase reflects the GST effect of increased volumes of work.
36. The increase reflects the delivery costs due to the greater volume of work.
37. The increase reflects the higher opening balance of the working capital facility at the commencement of the financial year estimated to be repaid during the year.
38. The decrease is due to the net loss reported in 2009-10 which resulted in no dividend being due.

Major variances between 2010-11 Budget and 2011-12 Estimate include:

39. The increase is due to additional work on unplanned maintenance and work on natural disaster events.
40. The increase reflects the GST effect of increased volumes of work.
41. The increase reflects delivery costs in line with increased volumes of work.

Major variances between 2010-11 Estimated actual and the 2011-12 Estimate include:

42. The increase in cash inflows from user charges is due to cash received on natural disaster claims which will be received in 2011-12.
43. The 2011-12 Estimate reflects the inclusion of only the redemption of the long term loan for intangible assets whereas the 2010-11 Estimated actual includes redemptions of both the working capital facility and long term loan during the financial year.

Project Services

OVERVIEW

Project Services provides building and property consultancy services to the Government. It assists government agencies in the delivery of their building programs and projects within the Government's capital works framework, minimising risk and assisting in meeting the reporting obligations of the Government.

Project Services provides a complete range of consultancy services, including:
- program, project, procurement and risk management
- professional building design (architecture, landscape architecture, interior design, engineering – civil, structural, mechanical, electrical, environmental, fire and specialist)
- quantity surveying, superintendency, contract management and administration, building surveying, property and corporate real estate services and town planning.

Key factors and challenges impacting on Project Services include:
- sustaining a role as the building procurement and risk manager for government
- developing and improving existing technologies for design, project and information management to meet business requirements
- supporting clients in achieving higher levels of environmental sustainability in their building projects
- retaining a skilled workforce able to respond to an ageing staff profile and anticipated work levels
- maintaining a viable capital works program.

REVIEW OF PERFORMANCE

Recent achievements

Project Services working closely with client departments delivered a diverse range of projects throughout the state in 2010-11. The value of design and construction work managed by Project Services during this financial year has been approximately $2.1 billion and included the following projects:
- the new Bremer State High School, which opened for first term in 2011 and is the first full replacement high school for the Department of Education and Training. The new school is part of the *State Schools of Tomorrow* program in the Ipswich cluster
- the Light and Heavy Automotive Trades Training Facilities at Acacia Ridge, Brisbane, which feature learning areas and laboratories equipped with the latest technology to deliver pre-apprenticeship, apprenticeship/traineeship and post-trade training for the road transport, mining, gas and construction maintenance industries
- the new government office building, William McCormack Place, Stage 2, in Cairns, North Queensland. Completed in August 2010, the building received the first 6-star Green Star rating in a tropical climate in Australia
- the 23,000-seat AFL stadium at Carrara on the Gold Coast capable of accommodating international standard sporting events
- the Ecosciences Precinct at Boggo Road, Brisbane, which officially opened in April 2011, is Australia’s first science centre of excellence supporting innovative research into climate change, healthy environment, balanced growth, sustainable industries and mineral and petroleum resources

- specialist property transactions for the Department of Employment, Economic Development and Innovation, which acquired high quality sites for the client to assist in establishing its beef cattle research facilities.

Future developments

During 2011-12, Project Services will continue to deliver significant building capital works projects and programs on behalf of the Queensland Government including:

- the 19-floor Supreme Court and District Court complex in the Brisbane Central Business District
- procurement management of new major State hospital projects including the Gold Coast University Hospital and Queensland Children's Hospital, and the redevelopment of hospitals in Cairns, Townsville, Mackay, Rockhampton and Ipswich
- the Mango Hill State School, which will be constructed as a single campus with two learning precincts that include support and service facilities providing administration, information services and student services, such as covered play areas, a canteen, amenities and sporting facilities
- new kindergartens in primary school sites around the state, including Palm Beach, Coomera, Logan, Yandina, Taranganba, Durack and Kingston
- the Queensland Police Academy, which includes the design and construction of a Command and Learning Precinct, a Policing Skill Programs Precinct, a Residential Precinct and the adaptive reuse of existing heritage buildings on the site for support services.

STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service standards				
Client satisfaction	1	New measure	New measure	..
Project competency:	2			
• time		90%	90%	≥90%
• budget		90%	90%	≥90%
Financial measures				
Gross profit as a percentage of total sales	3,4	33.8%	36.1%	37.4%
Net profit before tax and dividends as a percentage of total sales	5,6,7	1.4%	3.3%	0.6%
Current ratio	8,9	3.2:1	5.1:1	5.7:1

Notes:
1. The new measure of client satisfaction is included as a primary measure of effectiveness. A survey is being developed to ensure a consistent approach to measuring client satisfaction across the department and it includes elements of timeliness, ease of access, staff knowledge and outcome/quality of service.
2. This measure was previously reported in the 2010-11 SDS as two separate measures (project competency – on time and project competency – on budget).
3. The increase in the 2010-11 Estimated actual from the 2010-11 target/estimate for the measure of gross profit as a percentage of total sales is due to increased sales revenue.
4. The increase in the 2011-12 target/estimate from the 2010-11 Estimated actual for the gross profit as a percentage of total sales is mainly due to the direct costs associated with outsourced work in the 2010-11 Estimated actual being greater than forecast.
5. This financial measure was previously reported in the 2010-11 SDS as net profit as a percentage of sales and the description has been amended to ensure consistency with the reporting of net profit across other commercialised business units within the department.
6. The increase in the 2010-11 Estimated actual from the 2010-11 Target/estimate for the net profit before tax and dividends as a percentage of total sales is due to increased sales revenue.
7. The decrease in the 2011-12 Target/estimate from the 2010-11 Estimated actual for the measure of net profit before tax and dividends as a percentage of total sales is primarily due to a forecasted downturn in the program of work.
8. The increase in the 2010-11 Estimated actual from the 2010-11 Target/estimate for the current ratio is due to increased sales revenue resulting in increased cash and timing of business system upgrades resulting in cash not being utilised.
9. The increase in the 2011-12 Target/estimate from the 2010-11 Target/estimate for the current ratio is due to improved creditor and debtor management, and timing of business system upgrades resulting in cash not being utilised.

INCOME STATEMENT

Project Services	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
User charges	1,9	150,626	170,900	148,876
Grants and other contributions		..	..	..
Other revenue	2,6	2,612	3,158	3,033
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**153,238**	**174,058**	**151,909**
Expenses				
Employee expenses	3,7,10	67,824	72,578	69,519
Supplies and services	4,8,11	82,394	94,837	80,408
Grants and subsidies		..	..	..
Depreciation and amortisation		595	699	775
Finance/borrowing costs		..	..	..
Other expenses		318	291	318
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**151,131**	**168,405**	**151,020**
Surplus or deficit before related income tax	5,12	**2,107**	**5,653**	**889**
Income tax expense/revenue		522	1,696	267
OPERATING SURPLUS/ (DEFICIT) after related income tax		**1,585**	**3,957**	**622**

STATEMENT OF CHANGES IN EQUITY

Project Services	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation surplus		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		1,585	3,957	622
Total recognised income and expense for the period		**1,585**	**3,957**	**622**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Dividends paid or provided		(793)	(1,979)	(311)
Total movement in equity for period		**792**	**1,978**	**311**

BALANCE SHEET

Project Services	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	13,19	14,405	27,382	27,333
Receivables	14,20,24	21,882	18,295	16,258
Other financial assets		..	..	..
Inventories		..	..	..
Other		619	377	134
Non-financial assets held for sale		..	..	..
Total current assets		**36,906**	**46,054**	**43,725**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	15,25	850	1,315	880
Deferred tax assets		1,157	979	966
Intangibles	16,21,26	13,282	2,489	4,141
Other		..	..	..
Total non-current assets		**15,289**	**4,783**	**5,987**
TOTAL ASSETS		**52,195**	**50,837**	**49,712**
CURRENT LIABILITIES				
Payables	17,22,27	8,693	5,374	3,923
Interest-bearing liabilities and derivatives		..	..	..
Current tax liabilities		417	216	327
Accrued employee benefits		1,347	1,563	1,540
Provisions	18,23	957	1,897	1,897
Other		..	..	..
Total current liabilities		**11,414**	**9,050**	**7,687**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Deferred tax liabilities		284	195	122
Accrued employee benefits		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**284**	**195**	**122**
TOTAL LIABILITIES		**11,698**	**9,245**	**7,809**
NET ASSETS/ (LIABILITIES)		**40,497**	**41,592**	**41,903**
EQUITY				
Capital/contributed equity		1,730	1,730	1,730
Accumulated surplus/(accumulated deficit)		38,767	39,862	40,173
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**40,497**	**41,592**	**41,903**

CASH FLOW STATEMENT

Project Services	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges	28,33,39	171,958	184,048	162,978
Grants and other contributions		..	..	..
Other	34	13,527	11,572	9,707
Outflows:				
Employee costs	29,35,40	(67,771)	(73,119)	(69,293)
Supplies and services	30,36,41	(95,681)	(104,561)	(87,115)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Taxation equivalents paid	31,42	(294)	(1,379)	(216)
Other	37,43	(17,577)	(16,733)	(12,139)
Net cash provided by/(used in) operating activities		**4,162**	**(172)**	**3,922**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	32,38	(11,290)	(1,185)	(1,992)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/ (used in) investing activities		**(11,290)**	**(1,185)**	**(1,992)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Dividends paid		(2,137)	(2,048)	(1,979)
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/ (used in) financing activities		**(2,137)**	**(2,048)**	**(1,979)**
Net increase/(decrease) in cash held		**(9,265)**	**(3,405)**	**(49)**
Cash at the beginning of financial year		**23,670**	**30,787**	**27,382**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**14,405**	**27,382**	**27,333**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. The increase in user charges is due to a greater program of work.
2. The increase in other revenue is due to higher interest revenue resulting from improved cash balances and higher interest rates.
3. The increase in employee expenses is due to a greater program of work.
4. The increase in supplies and services is in line with additional sales revenue.
5. The increase in the net operating surplus is due to the additional sales revenue.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

6. The increase in other revenue is mainly due to improved interest revenue resulting from higher interest rates and improved cash balances.
7. The increase in employee expenses is mainly due to the Enterprise Bargaining Agreement (EBA) increases and salary increments.
8. The decrease in supplies and services is in line with a reduced program of work.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

9. The decrease in user charges is due to a reduced program of work.
10. The decrease in employee expenses is due to a reduced program of work.
11. The decrease in supplies and services is in line with a reduced program of work.
12. The decrease in the net operating surplus is due to an expected downturn in the program of work.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

13. The increase in cash is mainly due to additional sales revenue, continued improvements in creditor and debtor management, and timing of business systems upgrades.
14. The decrease in receivables is due to continued improvements in debt management.
15. The increase in property, plant and equipment is due to replacements and upgrades for various computer equipment and peripherals.
16. The decrease in intangibles is due to the timing of business systems upgrades.
17. The decrease in payables is due to improved creditor management.
18. The increase in provisions is due to adjustments for service warranties.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

19. The increase in cash is mainly due to continued improvements in creditor and debt management, and the timing of business systems upgrades.
20. The decrease in receivables is due to lower sales revenue and continued improvement in debt management.
21. The decrease in intangibles is due to the timing of business systems upgrades.
22. The decrease in payables is due to a reduced program of work and improved creditor management.
23. The increase in provisions is due to adjustments for service warranties.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

24. The decrease in receivables is due to lower sales revenue and continued improvement in debt management.
25. The decrease in property, plant and equipment is due to the timing of various computer equipment and peripherals replacement and upgrades.
26. The increase in intangibles is due to proposed upgrade and implementation of a number of business systems.
27. The decrease in payables is mainly due to a reduction in dividends payable resulting from an expected lower net profit position.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

28. The increase in user charges is due to a greater program of work.
29. The increase in employee expenses is due to a greater program of work.
30. The increase in supplies and services is in line with additional sales revenue.
31. The increase in tax equivalents paid is due to an improved net profit position.
32. The decrease in payments for property, plant and equipment and intangibles is due to the timing of business systems upgrades.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

33. The decrease in user charges is primarily due to the movement in receivables and lower sales revenue.
34. The decrease in other inflow is mainly due to lower GST receivables resulting from reduced supplies and services.
35. The increase in employee costs is mainly due to the EBA increases and salary increments.
36. The decrease in supplies and services is primarily due to a smaller program of work.
37. The decrease in other outflow is mainly due to lower GST payable resulting from reduced user charges.
38. The decrease in payments for property, plant and equipment, and intangibles is due to the timing of business systems upgrades.

Major variations between 2010-11 Estimated actual and 2011-12 Estimate include:

39. The decrease in user charges is primarily due to lower sales revenue associated with a smaller program of work.
40. The decrease in employee costs is mainly due to a smaller program of work.

41. The decrease in supplies and services is primarily due to a smaller program of work.
42. The decrease in tax equivalents paid is due an expected reduction in the net profit position.
43. The decrease in other outflow is mainly due to lower GST payable resulting from reduced user charges.

QFleet

OVERVIEW

QFleet is the Queensland Government's fleet owner and manager. QFleet's role and value to the Government is based on its capacity to aggregate the Queensland Government vehicle fleet, enable economies of scale and provide a centralised pool of expertise in fleet management. QFleet manages approximately 13,000 vehicles on behalf of the Queensland Government. Its key services include vehicle procurement; fleet leasing, management and advisory services; vehicle servicing and repairs; disposal through state-wide auctions; whole-of-Government vehicle fleet reporting; and the development and management of whole-of-Government vehicle fleet policy.

QFleet also provides a range of comprehensive vehicle fleet management solutions to government agencies involved in disaster response and recovery activities.

The key factors and challenges impacting on QFleet include:
- minimising the Government's exposure to risk and future market volatility
- aligning the Government vehicle fleet mix with market demand
- continuing to deliver high quality, reliable, value-for-money fleet services, ensuring government priorities are met.

REVIEW OF PERFORMANCE

Recent Achievements

QFleet's recent achievements include:
- implementing the *QFleet ClimateSmart Action Plan 2007-2010*, which sets a vehicle carbon dioxide (CO_2) emissions reduction target of 15 per cent by the end of 2010. By December 2010, the 2012 target of 25 per cent had been achieved two years ahead of schedule
- introducing the QFleet *Fleet Efficiency and Utilisation Policy* in July 2010, providing a framework to improve vehicle use and strategic management across the Queensland Government vehicle fleet
- implementing the second phase of QFleet's strategic procurement plan, which will strengthen ClimateSmart emissions reductions, enhance general fleet safety and lower total cost of ownership to government. QFleet remains the first and only state government vehicle fleet in Australia to go to market using this methodology
- releasing the *QFleet Road Safety Manual for the Queensland Government motor vehicle fleet* in December 2010 to provide practical advice to government agencies, managers and drivers on measures to reduce work-related driving risks.

Future developments

During 2011-12, QFleet will:
- develop and implement QFleet performance reporting for agency chief executive officers to ensure they are kept informed of significant performance indicators in their fleet
- implement phase two of the *ClimateSmart Action Plan 2011-2012,* to meet the challenging revised target of 30 per cent by the end of 2012 and 50 per cent by the end of 2017

- utilise the *QFleet Road Safety Manual for the Queensland Government motor vehicle fleet* to improve road safety related policy, procedures and performance in government agencies and maximise the overall safety of government motor vehicle drivers.

STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service standards				
Client satisfaction	1	New measure	New measure	..
Reduction of carbon emissions in vehicles (ClimateSmart)	2,3	25% by 31 December 2012	≥25%	≥ 30% by 31 December 2012
Percentage of all vehicle fleet leases managed within 90-100 percent of agreed km (measured at lease expiration)	4	New measure	New measure	≥ 75%
Financial measures				
Current ratio	5	1.08:1	1.07:1	1.01:1
Return on net assets	6,7	5.8%	8.8%	6.6%
Gearing level	8	80%	79%	82%
Other measures				
Vehicle stocks on hand awaiting sale as a percentage of the total fleet		< 10%	7%	≤ 10%

Notes:

1. The new measure of client satisfaction is included as a primary measure of effectiveness for the department's service areas. A survey is being developed to ensure a consistent approach to measuring client satisfaction across the department and it includes elements of timeliness, ease of access, staff knowledge and outcome/quality of service.
2. The measure of reduction of carbon emissions in vehicles (ClimateSmart) indicates that the 25 percent target has been surpassed (as at December 2010), however, the impact of the temporary increase in fleet size as a result of vehicles being deployed to recovery operations following the Queensland floods in January 2011 and Tropical Cyclone Yasi in February 2011 is not yet known.
3. The increase in the 2011-12 Target/estimate from the 2010-11 Estimated actual for reduction of carbon emissions in vehicles (ClimateSmart) is due to revised emissions targets for the government vehicle fleet, which are outlined in the ClimateSmart Action Plan Phase II.
4. The new measure of Percentage of all vehicle fleet leases managed within 90-100 percent of agreed km indicates the effective management of fleet leases across the government vehicle fleet, by measuring the alignment between use of the fleet and the contracted lease arrangements.
5. The decrease in the 2011-12 Estimate from the 2010-11 Estimated actual for current ratio is a result of higher purchase prices of replacement vehicles and therefore resulting in higher payables.
6. The increase in the 2010-11 Estimated actual from the 2010-11 target/estimate for return on net assets is due to higher sales prices on the resale market and lower than anticipated operating costs which have resulted in a higher forecast surplus for the year.
7. The decrease in the 2011-12 Target/estimate from the 2010-11 Estimated actual for return on net assets is due to anticipated fluctuations in the used car market.
8. The increase in the 2011-12 Target/estimate from the 2010-11 Estimated actual for gearing level is due to increased borrowings as a result of the purchase of replacement motor vehicles.

INCOME STATEMENT

QFleet	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
User charges	1,6,8	226,414	225,220	237,031
Grants and other contributions		..	..	..
Other revenue	2	642	1,256	986
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**227,056**	**226,476**	**238,017**
Expenses				
Employee expenses	3,9	10,968	9,814	11,593
Supplies and services	4,10	131,250	117,979	133,797
Grants and subsidies		..	..	..
Depreciation and amortisation	5,7	64,492	68,422	68,679
Finance/borrowing costs	11	15,326	15,263	16,025
Other expenses		538	374	421
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**222,574**	**211,852**	**230,515**
Surplus or deficit before related income tax		**4,482**	**14,624**	**7,502**
Income tax expense/revenue		1,345	4,387	2,251
OPERATING SURPLUS/(DEFICIT) after related income tax		**3,137**	**10,237**	**5,251**

STATEMENT OF CHANGES IN EQUITY

QFleet	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation surplus		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period	12,14,16	3,137	10,237	5,251
Total recognised income and expense for the period		**3,137**	**10,237**	**5,251**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Dividends paid or provided	13,15, 17	(1,568)	(12,007)	(10,738)
Total movement in equity for period		**1,569**	**(1,770)**	**(5,487)**

BALANCE SHEET

QFleet	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets		500	496	500
Receivables	18,25	7,056	6,160	7,783
Other financial assets		..	..	..
Inventories		13,370	13,300	12,459
Other		5,114	6,272	4,953
Non-financial assets held for sale		..	..	..
Total current assets		**26,040**	**26,228**	**25,695**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	19,23,26	316,961	318,124	328,708
Deferred tax assets		759	574	574
Intangibles	20	5,285	3,644	3,602
Other		..	..	..
Total non-current assets		**323,005**	**322,342**	**332,884**
TOTAL ASSETS		**349,045**	**348,570**	**358,579**
CURRENT LIABILITIES				
Payables	21,24	22,256	19,988	23,150
Interest-bearing liabilities and derivatives		..	..	..
Current tax liabilities		1,345	4,387	2,251
Accrued employee benefits		497	125	125
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**24,098**	**24,500**	**25,526**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Interest-bearing liabilities and derivatives	22,27	256,353	253,941	268,411
Deferred tax liabilities		3,276	4,182	4,182
Accrued employee benefits		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**259,629**	**258,123**	**272,593**
TOTAL LIABILITIES		**283,727**	**282,623**	**298,119**
NET ASSETS/(LIABILITIES)		**65,318**	**65,947**	**60,460**
EQUITY				
Capital/contributed equity		26,095	26,095	26,095
Accumulated surplus/(accumulated deficit)		39,223	39,852	34,365
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**65,318**	**65,947**	**60,460**

CASH FLOW STATEMENT

QFleet	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges	28,41	251,431	240,472	252,244
Grants and other contributions		..	..	..
Other		642	913	617
Outflows:				
Employee costs	29,35,42	(10,968)	(9,860)	(11,593)
Supplies and services	30,36,43	(218,165)	(222,564)	(221,262)
Grants and subsidies		..	..	..
Borrowing costs		(15,121)	(17,489)	(15,963)
Taxation equivalents paid	31,44	(5,977)	..	(4,387)
Other		(539)	(339)	(301)
Net cash provided by/(used in) operating activities		**1,303**	**(8,867)**	**(645)**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	37,45	(707)	(88)	(590)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(707)**	**(88)**	**(590)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings	32,38,46	18,456	23,538	17,092
Equity injections		..	..	..
Outflows:				
Dividends paid	33,39,47	(6,990)	(17,847)	(13,231)
Borrowing redemptions	34,40,48	(12,105)	(7,600)	(2,622)
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**(639)**	**(1,909)**	**1,239**
Net increase/(decrease) in cash held		**(43)**	**(10,864)**	**4**
Cash at the beginning of financial year		**543**	**11,360**	**496**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**500**	**496**	**500**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

General Note: As a result of changes in accounting standards *AASB 107 Statement of Cash Flows* and *AASB 116 Property Plant and Equipment* in the 2009-10 financial year, the following reporting requirements are applicable to the Income Statement, Balance Sheet and the Cash Flow Statement. The gross proceeds from sales of vehicles are classified as user charges in the Income Statement with the written down value at date of sale classified as supplies and services. Vehicles awaiting sale are classified as inventories in the Balance Sheet. The cash flows relating to sales and purchase of motor vehicle assets are classified as Cash Flows from Operating Activities in the Cash Flow Statement. These changes were first reflected in the 2010-11 Budget and 2009-10 Estimated actual figures in last year's Service Delivery Statements and are reflected in the 2010-11 Budget, 2010-11 Estimated actual and the 2011-12 Estimate in this year's Service Delivery Statements.

Income statement

Major variation between 2010-11 Budget and 2010-11 Estimated actual include:
1. The decrease in user charges is due to a reduction in the size of the vehicle fleet.
2. The increase in other revenue is due to larger than anticipated interest on the cash at bank and the rental subsidy for the premises that was included in user charges in the 2010-11 Budget.
3. The decrease in employee expenses is due to lower permanent staff numbers during the earlier part of the year that were supported by agency staff during that period.
4. The decrease in supplies and service expenses is due mainly to lower than anticipated information and communication technology (ICT) costs, advertising and motor vehicle repairs and maintenance.
5. The increase in depreciation expense is due to lower residual values set on vehicles over the last 2 to 4 years.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
6. The increase in user charges is due to continued good resale prices on vehicles in a fluctuating used car market.
7. The increase in depreciation expense is due to the lower residual values set on vehicles over the last 2 to 4 years.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
8. The increase in user charges is due to higher lease rates and anticipated fluctuations in the used car market.
9. The increase in employee expenses is due to salary rate increases from the Enterprise Bargaining Agreement (EBA) and progression in pay rate classifications.
10. The increase in supplies and service expenses is due to higher ICT costs, advertising and motor vehicle repairs and maintenance costs.
11. The increase in borrowing costs is due to higher debt to finance replacement vehicles and anticipated increases in motor vehicle repairs and maintenance costs.

Statement of changes in equity

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
12. The increase in profit is due to a strong vehicle resale market and lower expenses for ICT, wages and administration costs.
13. The increase in dividends available is due to higher profits from the resale market and a reduction in motor vehicle repairs and maintenance costs, advertising and ICT costs and includes a special dividend paid to the Consolidated Fund in 2010-11.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
14. The increase in the profit is due to continued good resale prices on vehicles in a fluctuating used car market.
15. The increase in dividends available is due to higher profits from the resale market and a reduction in motor vehicle repairs and maintenance costs, advertising and ICT costs and includes a special dividend paid to the Consolidated Fund in 2011-12.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
16. The decrease in profits is due to a minor fall in resale prices and higher ICT costs.
17. The decrease in dividends available is due to lower profits on sale of vehicles and higher ICT costs is partially offset by a higher special dividend paid to the Consolidated Fund in 2011-12 than that paid in 2010-11.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
18. The decrease in receivables is due to improved debt recovery from clients.
19. The increase in property, plant and equipment is due to higher than anticipated purchase prices of replacement vehicles.
20. The decrease in intangibles is due to lower than anticipated expenditure on the core system project.
21. The decrease in payables is due to a reduced vehicle fleet size.
22. The decrease in interest bearing liabilities is due to improved cash flow from a strong resale vehicle market and reduction in ICT costs and advertising costs.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
23. The increase in property, plant and equipment is due to higher purchase prices of vehicles following the usual replacement of the two to four year old vehicles in the fleet.
24. The increase in payables is due to higher purchase prices of replacement vehicles.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
25. The increase in receivables is due to increased lease revenue billed to clients.
26. The increase in property, plant and equipment is due to increased purchase prices of replacement vehicles.
27. The increase in the interest bearing liabilities is mainly due to increased prices for the replacement of two to four year old vehicles and increased systems development expenses coupled with an expected slower resale market.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

28. The decrease in user charges is due to a reduction in the size of the fleet, a minor reduction in the number of motor vehicles for sale and the resultant effect of lower GST charges.
29. The decrease in employee costs is due to lower than anticipated permanent staff numbers earlier in the year that were supported by agency staff during that period.
30. The increase in supplies and services is due to higher than anticipated costs of motor vehicle registrations, insurance fleet costs and other administration expenses.
31. No tax is payable in 2010-11 due to a nil tax liability from the 2009-2010 year mainly due to higher than anticipated tax benefits of the investment allowance on new vehicles.
32. The increase in borrowings is due to the need to support the purchase of new vehicles and the day to day operating requirements.
33. The increase in dividends paid is due to higher profits expected for the 2010-2011 year and a special dividend paid to the Consolidated Fund.
34. The decrease in borrowing redemptions is a result of the cash at bank being used to purchase the replacement of vehicles.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

35. The increase in employee expenses is due to salary rate increases from the EBA and progression in pay rate classifications.
36. The increase in supplies and services is due to higher vehicle repairs and maintenance, ICT costs and slightly higher residual values on the sale of used vehicles.
37. The decrease in property, plant and equipment is due to the reduced need for plant replacements at the Zillmere workshops.
38. The decrease in borrowings is due to good resale market cash flows.
39. The increase in dividends paid is due to a special dividend due to be paid in December 2011 to the Consolidated Fund.
40. The decrease in borrowing redemptions is due to cash requirements for the replacement of vehicles.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

41. The increase in user charges is due to higher lease revenue and strong resale prices based on recent sales.
42. The increase in employee costs is due to EBA salary rate rises and the full year cost effect of the full year complement of staff.
43. The decrease in supplies and services is due to a minor reduction in anticipated vehicle repairs and maintenance costs, ICT costs and other general administration expenses.
44. The increase in tax paid is due to no tax liability for 2009-10 and tax is now estimated for the 2010-2011 year which will be paid in 2011-12.
45. The increase in property, plant and equipment is due to a number of replacements at the Zillmere workshops.
46. The decrease in borrowings is due to good resale market cash flows.
47. The decrease in dividends paid is due to lower profits for the 2010-2011 year partially offset by a higher special dividend paid to the Consolidated Fund in 2011-12 than that paid in 2010-11.
48. The decrease in borrowing redemptions is due to surplus operating funds being used directly for vehicle purchases.

CITEC

OVERVIEW

CITEC is the primary technology service provider for the Queensland Government, delivering both whole-of-Government and agency-specific information and communication technology (ICT) services. CITEC's core business is to deliver consolidated data centre, network and infrastructure services, including solutions integration services for the whole of Government. CITEC also delivers information brokerage services through CITEC Confirm.

The Queensland Government Chief Technology Office (QGCTO), established within CITEC, provides leadership, collaboration, management and direction on whole-of-Government information and communication technology issues. The QGCTO ensures that the whole-of-Government investment in technology and applications is optimised to meet information management and integrated service delivery outcomes.

In the event of a major incident or natural disaster, CITEC supports key disaster response agencies with their information and communication technology systems.

The key factors and challenges impacting on CITEC include:

- progressing the long-term consolidation of Queensland Government agencies ICT infrastructure to provide economies of scale and secure environments
- managing resources to effectively deliver the new whole-of-Government ICT infrastructure services to their required operating capacity while maintaining a high level of service on current products and services
- requiring increased investment and focus to ensure security, disaster recovery and business continuity standards are implemented and maintained
- sustaining a viable CITEC financial position as well as managing long-term investments in ICT infrastructure
- identifying opportunities for partnering with the ICT industry.

REVIEW OF PERFORMANCE

Recent achievements

CITEC's recent achievements include:

- providing a continued uninterrupted service to all agencies and undertaking emergent information and communication requirements for front-line emergency response agencies during the Queensland floods in January 2011
- being ranked among the leading data storage service providers globally by the independent benchmarking organisation, Corporate Executive Board, who placed CITEC in the top 25 per cent for cost and quality
- finalising the consolidation strategies and roadmaps for all 13 government departments for the transition to the whole-of-Government ICT infrastructure service offerings. In addition, CITEC completed transition planning that will guide agencies in their take-up of consolidated services for the Departments of Transport and Main Roads, Justice and Attorney-General, Communities, Education and Training, Community Safety, Public Works' Smart Service Queensland and the Queensland Police Service
- progressing the commission of the foundation ICT infrastructure for network connectivity, data storage facilities and server equipment to provide whole-of-Government consolidation capability

- decommissioning four metropolitan government data centre facilities and consolidating 12 agency data sites to enhance availability, integrity and confidentiality of Queensland Government information and ICT assets by ensuring ongoing access to high quality data centres and the use of complementary technologies
- launching a new website for CITEC Confirm, which provides online access to publicly available database information and is accessed by over 7,500 clients Australia-wide who perform five million searches annually
- implementing a purpose-built financial system to deliver billing and accounts receivable functionality for CITEC Confirm products under Phase 1 of the Technology Refresh project
- increasing the number of computer equipment racks installed at the Polaris Data Centre from 115 to 209 to cater for increased requirements for high quality data centre accommodation to support operational, disaster recovery and business continuity needs
- commencing the migration of the first agency to the Identity, Directory and Email Services (IDES) program, which will consolidate email service delivery across government and provide improved whole-of-Government identity management
- completing initiatives under the *Toward Q2 through ICT* program, including:
  - reviewing the whole-of-Government approach to processing the release of information in line with the Right to Information reforms;
  - developing a shared utility services approach to hardware and infrastructure to allow agencies to concentrate on business applications and development; and
  - developing a strategy to disseminate the benefits, and identifying the most appropriate solution architectures, sourcing strategies and a roadmap for Intellectual Property Telephony, instant messaging, presence and web conferencing solutions within the Queensland Government.
- continuing to reduce the number of non-Queensland Government clients from 14 to 13 to move to an operating model focussed on becoming the Queensland Government's primary technology service provider
- implementing an integrated call management solution within CITEC to replace a complex array of redirection rules and notifications systems previously used across three CITEC call centres.

Future developments

During 2011-12 CITEC will:

- continue to migrate agencies to the IDES program, commencing with the Department of Public Works, the Department of Local Government and Planning, and the Department of the Premier and Cabinet
- continue to transition agency ICT infrastructure, including networks, data storage and protection, into a whole-of-Government service delivery offering, commencing with the Department of the Premier and Cabinet, the Department of Public Works, the Department of Local Government and Planning, the Department of Justice and Attorney-General, the Department of Communities, the Department of Transport and Main Roads, and the Department of Community Safety
- progress additional initiatives under the Government's *Toward Q2 through ICT* Strategy to reform technology capability and service delivery including:
  - completing the Data Centre Planning project to enhance availability, integrity and security of Queensland Government information and ICT assets; and
  - consolidating utility agreements and Standing Offer Agreements with vendors under the Consolidated Contract Management project.

- continue to increase the number of computer equipment racks installed at the Polaris Data Centre to approximately 400 in 2013, optimising capacity
- complete the final phase of the CITEC Confirm Technology Refresh project to access control and accounting functionality to enhance operational efficiency, reduce operational support costs and improve organisational capacity
- reduce non-Queensland Government clients from 13 to 8 in the move to an operating model focussed on becoming the Queensland Government's primary technology service provider
- progress the Queensland Government's use of the CITEC gateway technology capability to connect agency systems to the national systems Australian Business Online Services, National Occupational Licensing System and the National Electronic Conveyancing System under the Council of Australian Governments reform initiative.

STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service standards				
Client satisfaction	1	New measure	New measure	..
Financial measures				
Current ratio	2,3	1.37:1	1.66:1	1.39:1
Earnings before interest and tax (EBIT) ($'000)	4,5,6	(14,910)	(12,481)	(22,307)
Return on net assets	7,8	(15.3%)	(15.9%)	(23.1%)
Gearing level	9,10	67.3%	63.5%	78.7%
Other measures				
Service availability	11	New measure	New measure	≥99.8%
Whole-of-Government programs percentage complete	12	New measure	New measure	≥50%
Number of Information Technology graduates, trainees and cooperative students employed each year		10	10	≥12

Notes:

1. The new measure of client satisfaction is included as a primary measure of effectiveness. A survey is being developed to ensure a consistent approach to measuring client satisfaction across the department and it includes elements of timeliness, ease of access, staff knowledge and outcome/quality of service.
2. The increase in the 2010-11 Estimated actual from the 2010-11 Target/estimate for current ratio is due to lower payables as a result of reduced expenditure due to timing differences in the delivery of the Identity, Directory and Email Services (IDES) and ICT Consolidation (ICTC) programs and reduced anticipated borrowings for CITEC business loan facilities.
3. The decrease in the 2011-12 Target/estimate from the 2010-11 Estimated actual for current ratio is due to higher payables as a result of increased expenditure for whole-of-Government ICT services.
4. The increase in the 2010-11 Estimated actual from the 2010-11 Target/estimate for Earnings Before Interest and Tax (EBIT) is due to a better than anticipated operating result for CITEC business as usual operations (excluding IDES and ICTC).
5. The decrease in the 2011-12 Target/estimate from the 2010-11 Estimated actual for EBIT is due to increased service delivery expenditure in relation to the IDES program that has not been offset by associated additional revenue.
6. The decrease in the 2011-12 Target/estimate from the 2010-11 Target/estimate for EBIT is due to increased service delivery expenditure in relation to the IDES program that has not been offset by associated additional revenue.
7. The decrease in the 2011-12 Target/estimate from the 2010-11 Estimated actual for return on net assets is due to costs associated with delivering the IDES and ICTC Programs and lower than anticipated volumes of service delivery as a result of the timing of agencies transitioning to whole-of-Government ICT services (including IDES and ICTC).
8. The decrease in the 2011-12 Target/estimate from the 2010-11 Target/estimate for return on net assets is due to costs associated with delivering the IDES and ICTC Programs and the reduction in volumes of service delivery as a result of the timing of agencies transitioning to whole-of-Government ICT services (including IDES and ICTC).
9. The decrease in the 2010-11 Estimated actual from the 2010-11 Target/estimate for gearing level is due to less than expected borrowings caused by timing of projects.
10. The increase in the 2011-12 Target/estimate from the 2010-11 Target/estimate for gearing level is due to the increased borrowing requirement as a result of the IDES and ICTC programs.
11. The new measure of service availability reflects the percentage of availability of services to clients within agreed service levels.
12. The new measure of whole-of-Government programs percentage complete indicates the development progress of significant whole-of-Government infrastructure programs, including IDES and ICTC.

INCOME STATEMENT

CITEC	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
User charges	1,6,11	182,205	171,106	178,138
Grants and other contributions		..	..	..
Other revenue		2,100	1,600	1,400
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**184,305**	**172,706**	**179,538**
Expenses				
Employee expenses	2,12	70,119	67,279	70,648
Supplies and services	3,7,13	114,768	104,261	108,670
Grants and subsidies		..	..	..
Depreciation and amortisation	4,8,14	12,126	11,302	20,132
Finance/borrowing costs	9,15	3,096	3,014	5,297
Other expenses		1,057	1,182	1,187
Losses on sale/revaluation of property, plant and equipment and investments		26	18	13
Total expenses		**201,192**	**187,056**	**205,947**
Surplus or deficit before related income tax	5,10,16	**(16,887)**	**(14,350)**	**(26,409)**
Income tax expense/revenue		(4,053)	(4,305)	(7,923)
OPERATING SURPLUS/(DEFICIT) after related income tax		**(12,834)**	**(10,045)**	**(18,486)**

STATEMENT OF CHANGES IN EQUITY

CITEC	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation surplus		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		(12,834)	(10,045)	(18,486)
Total recognised income and expense for the period		**(12,834)**	**(10,045)**	**(18,486)**
Equity injection/(withdrawal)	17,18	8,421	4,420	4,551
Equity adjustments (MoG transfers)		..	..	..
Dividends paid or provided		..	..	..
Total movement in equity for period		**(4,413)**	**(5,625)**	**(13,935)**

BALANCE SHEET

CITEC	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	19,29,38	5,531	7,415	3,479
Receivables	20,30,39	28,717	24,515	27,882
Other financial assets		..	..	..
Inventories		60	119	139
Other		7,306	7,472	7,473
Non-financial assets held for sale		..	..	..
Total current assets		**41,614**	**39,521**	**38,973**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		500	500	..
Property, plant and equipment	21,31,40	54,526	36,119	38,265
Deferred tax assets	32,41	13,692	11,375	19,298
Intangibles	22,33,42	31,821	36,973	37,353
Other	23,34	850	1,545	1,615
Total non-current assets		**101,389**	**86,512**	**96,531**
TOTAL ASSETS		**143,003**	**126,033**	**135,504**
CURRENT LIABILITIES				
Payables	24,43	12,120	8,563	12,131
Interest-bearing liabilities and derivatives		12,226	10,721	11,046
Current tax liabilities		..	..	..
Accrued employee benefits		2,319	1,952	1,723
Provisions		..	..	..
Other		3,819	2,561	3,090
Total current liabilities		**30,484**	**23,797**	**27,990**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Interest-bearing liabilities and derivatives	25,35,44	72,354	63,703	82,916
Deferred tax liabilities	26,36	1,812	68	68
Accrued employee benefits		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**74,166**	**63,771**	**82,984**
TOTAL LIABILITIES		**104,650**	**87,568**	**110,974**
NET ASSETS/(LIABILITIES)		**38,353**	**38,465**	**24,530**
EQUITY				
Capital/contributed equity	27,45	45,935	41,198	45,749
Accumulated surplus/(accumulated deficit)	28,37,46	(7,582)	(2,733)	(21,219)
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**38,353**	**38,465**	**24,530**

CASH FLOW STATEMENT

CITEC	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges	47,60	195,641	181,112	195,167
Grants and other contributions		..	..	..
Other		14,753	11,331	10,509
Outflows:				
Employee costs	48,61	(69,494)	(65,490)	(71,755)
Supplies and services	49,54,62	(127,842)	(115,023)	(118,628)
Grants and subsidies		..	..	..
Borrowing costs	55,63	(2,944)	(2,169)	(5,046)
Taxation equivalents paid		..	..	..
Other		(16,431)	(18,051)	(16,114)
Net cash provided by/(used in) operating activities		**(6,317)**	**(8,290)**	**(5,867)**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed	56,64	..	..	500
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	50,57,65	(30,136)	(42,248)	(22,658)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(30,136)**	**(42,248)**	**(22,158)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings	51,58,66	28,167	43,543	32,633
Equity injections	52,59	8,421	4,597	4,551
Outflows:				
Dividends paid		..	..	..
Borrowing redemptions	53,67	(8,679)	(1,572)	(11,433)
Finance lease payments		(1,561)	(1,581)	(1,662)
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**26,348**	**44,987**	**24,089**
Net increase/(decrease) in cash held		**(10,105)**	**(5,551)**	**(3,936)**
Cash at the beginning of financial year		**15,636**	**12,966**	**7,415**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**5,531**	**7,415**	**3,479**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. The decrease is mainly due to reduced Identity, Directory and Email Services (IDES) revenue as a result of timing differences in the delivery of the program.
2. The decrease is due to the deferral of additional resource requirements associated with the transition of CITEC to a whole-of-Government information and communication technology (ICT) services provider which includes the IDES and ICT Consolidation (ICTC) programs.
3. The decrease is due to reduced IDES expenditure as a result of timing differences in the delivery of the program.
4. The decrease is due to the timing of asset acquisitions associated with the IDES and ICTC programs.
5. The decrease is due to decreased IDES expenditure as a result of timing differences in the delivery of the program.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

6. The decrease is due to a reduction in volumes of service delivery as a result of the timing of agencies transitioning to whole-of-Government ICT services (including IDES and ICTC).
7. The decrease is due to reduced IDES expenditure as a result of timing differences in the delivery of the program.
8. The increase is due to the depreciation impact of asset acquisitions for the IDES and ICTC programs.
9. The increase is due to the loan drawdowns for the IDES and ICTC programs.
10. The increase is due to costs associated with delivering the IDES and ICTC programs and the reduction in volume of service delivery revenue as a result of the timing of agencies transitioning to whole-of-Government ICT services (including IDES and ICTC).

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

11. The increase is due to additional volumes of service delivery for whole-of-Government ICT services (including IDES and ICTC).
12. The increase is due to the additional resource requirements associated with the transition of CITEC to a whole-of-Government ICT services provider (including IDES and ICTC) and the Enterprise Bargaining Agreement (EBA) salary increase.
13. The increase is due to service delivery expenditure necessary to support additional volumes of work for whole-of-Government services (including IDES and ICTC).
14. The increase is due to the depreciation impact of asset acquisitions for the IDES and ICTC programs.
15. The increase is due to the loan drawdowns for the IDES and ICTC programs.
16. The increase is due to costs associated with delivering the IDES and ICTC programs and the reduction in volumes of service delivery revenue as a result of the timing of agencies transitioning to whole-of-Government ICT services (including IDES and ICTC).

Statement of changes in equity

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

17. The decrease is due to the deferral of GovNet asset acquisitions to be funded from equity injections until 2012-13 and reduced borrowing requirements during 2010-11 as a result of timing differences in the delivery of the ICTC program. The associated equity injections to fund the repayment of these borrowings have been deferred to 2011-12.

Major variations between 2010-11 Budget and the 2011-12 Estimate include:

18. The decrease is due to the deferral until 2012-13 of GovNet asset acquisitions to be funded from equity injections.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

19. The increase is due to the better than anticipated CITEC business as usual result.
20. The decrease is mainly due to reduced IDES revenue as a result of timing differences in the delivery of the program.
21. The decrease is due to the timing of asset acquisitions for the IDES and ICTC programs in 2009-10, resulting in a difference in the 2009-10 audited actual closing balance used in the 2010-11 Estimated actual compared to the 2010-11 budget.
22. The increase is mainly due to additional asset acquisitions for the IDES and ICTC programs.
23. The increase is mainly due to additional prepayments of licences and maintenance in relation to the IDES and the ICTC programs.
24. The decrease is due to reduced expenditure as a result of timing differences in the delivery of the IDES and ICTC programs.
25. The decrease is due to reduced anticipated borrowings for IDES and CITEC business loan facilities.
26. The decrease is due to an unrealised deferred tax liability associated with the timing of depreciation that was anticipated in the 2010-11 Budget.
27. The decrease is due to the deferral of GovNet asset acquisitions to be funded from equity injections until 2012-13 and reduced borrowing requirements during 2010-11 as a result of timing differences in the delivery of the ICTC program. The associated equity injections to fund the repayment of these borrowings have been deferred until 2011-12.
28. The decrease is due to better than anticipated operating result for CITEC business as usual operations.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

29. The decrease is due to the cash impact of the utilisation of the equity injection to support CITEC's operations in transitioning to a whole-of-Government ICT service provider.
30. The decrease is mainly due to reduced IDES revenue as a result of timing differences in the delivery of the program.
31. The decrease is mainly due to lower property, plant and equipment asset acquisitions for the IDES and ICTC programs.

32. The increase is due to the higher operating deficit and corresponding carried forward tax losses.
33. The increase is mainly due to additional asset acquisitions for the IDES and ICTC programs.
34. The increase is mainly due to additional prepayments of licences and maintenance in relation to the IDES and the ICTC programs.
35. The increase is due to additional borrowings for IDES and CITEC business loan facilities.
36. The decrease is due to an unrealised deferred tax liability associated with the timing of depreciation that was anticipated in the 2010-11 Budget.
37. The increased accumulated deficit is due to the costs associated with delivering the IDES and ICTC programs and the reduction in volumes of service delivery revenue due to the timing of agencies transitioning to whole-of-Government ICT services (including IDES and ICTC) and the accounting difference between the closing balance of retained surpluses between the 2010-11 Budget and 2010-11 Estimated actual.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
38. The decrease is due to the cash impact of the utilisation of the equity injection to support CITEC's operations in transitioning to a whole-of-Government ICT service provider.
39. The increase is due to additional volumes of whole-of-Government ICT services (including IDES and ICTC).
40. The increase is mainly due to asset acquisitions for the IDES and ICTC programs.
41. The increase is due to the higher operating deficit and corresponding carried forward tax losses.
42. The increase is mainly due to additional asset acquisitions for the IDES and ICTC programs.
43. The increase is due to the impact of higher service delivery expenditure for whole-of-Government ICT services.
44. The increase is due to additional borrowings for IDES and CITEC business loan facilities.
45. The increase reflects the equity injections to be used to fund borrowing repayments under the ICTC program of work.
46. The increased accumulated deficit is due to the costs associated with delivering the IDES and ICTC programs and the reduction in volumes of service delivery revenue due to the timing of agencies transitioning to whole-of-Government ICT services (including IDES and ICTC).

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
47. The decrease is mainly due to reduced IDES revenue as a result of timing differences in the delivery of the program.
48. The decrease is due to the deferral of additional resource requirements associated with the transition of CITEC to a whole-of-Government ICT services provider (including IDES and ICTC).
49. The decrease is due to reduced IDES expenditure as a result of timing differences in the delivery of the program.
50. The increase is due to asset acquisitions for the IDES and ICTC programs.
51. The increase is due to the loan drawdowns for the IDES and ICTC programs.
52. The decrease is due to the deferral of GovNet asset acquisitions to be funded from equity injections until 2012-13 and reduced borrowing requirements during 2010-11 as a result of timing differences in the delivery of the ICTC program. The associated equity injections to fund the repayment of these borrowings have been deferred until 2011-12.
53. The decrease is due to the timing impact of principal repayments associated with CITEC's borrowing program.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
54. The decrease is due to reduced IDES expenditure as a result of timing differences in the delivery of the program.
55. The increase is due to the timing of borrowing costs associated with the IDES and ICTC Programs.
56. The increase is due to the redemption of CITEC's investment in its subsidiary, CSI Holdings Pty Ltd, which is to be wound up following recommendations from the review of Queensland Government Boards, Committees and Statutory Authorities.
57. The decrease reflects initial foundation asset acquisitions made in 2010-11 in respect to IDES and ICTC programs which were of a non recurring nature.
58. The increase is due to the additional borrowing requirements in respect to the IDES and ICTC programs.
59. The decrease is due to the deferral of GovNet asset acquisitions to be funded from equity injections.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
60. The increase is due to additional volumes of service delivery for whole-of-Government ICT services (including IDES and ICTC).
61. The increase is due to enterprise bargaining and resource requirements to deliver whole-of Government ICT services.
62. The increase is due to service delivery expenditure necessary to support additional volume for whole-of-Government services (including IDES and ICTC).
63. The increase is due to borrowing costs associated with the IDES and ICTC programs.
64. The increase is due to the redemption of CITEC's investment in its subsidiary, CSI Holdings Pty Ltd, which is to be wound up following recommendations from the review of Queensland Government Boards, Committees and Statutory Authorities.
65. The decrease reflects initial foundation asset acquisitions made in 2010-11 in respect to IDES and ICTC programs which were of a non recurring nature.
66. The decrease is due to the reduced borrowing requirements in respect to the IDES and ICTC programs.
67. The increase is due to the timing of principal payments made in respect to the ICTC and CITEC loan facilities.

Goprint

OVERVIEW

Goprint is a commercialised business unit within the Department of Public Works and has been the Queensland Government printer for more than 145 years. Goprint's primary charter is to print and distribute a range of confidential and highly sensitive documents for Queensland Parliament and Executive Government.

As an accredited supplier to the Print Management Unit, Goprint also provides commercial printing and copying services to government agencies.

The key factors and challenges impacting on Goprint include:
- increasing demand for electronic and web-based documents, particularly in reserved services
- the ability to win sufficient work volume and the right product mix through the Print Management Unit to ensure production capacity is fully used
- an extremely competitive print market and the impacts of economic slow down and disaster recovery management on government spending for printed material
- reducing overhead costs to remain competitive.

REVIEW OF PERFORMANCE

Recent achievements

Goprint's recent achievements include:
- on time delivery of approximately 2,000 jobs of a secure and confidential nature for Queensland Parliament and Executive Government including the State Budget, Bills, Acts as Passed, Hansard, Gazettes and Reprint series (reserved services)
- progressing environmental initiatives, including updating computer-to-plate technology to further reduce chemical use and continued accreditation to Environmental Standard ISO14001
- progressing the Lean Manufacturing Program, which delivered a reduction in paper waste of 27 per cent a year
- recognition at the Australian Business Excellence Awards in October 2010 for 20 years of continual quality and environmental certification with SAI Global.

Future developments

During 2011-12, Goprint will:
- continue to deliver mandated reserved services and print products to a high standard
- review the business direction, including equipment and technology, to position Goprint to provide the services required by government.

STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service standards				
Client satisfaction	1	New measure	New measure	..
Financial measures				
Gross profit as a percentage of sales	2	25.85%	26.17%	27.50%
Current ratio	3	2.9:1	3.7:1	3.4:1
Other measures				
Reserved services security breaches	4	New measure	New measure	0

Notes:
1. The new measure of client satisfaction is included as a primary measure of effectiveness. A survey is being developed to ensure a consistent approach to measuring client satisfaction across the department and it includes elements of timeliness, ease of access, staff knowledge and outcome/quality of the service.
2. The increase in the 2011-12 Target/estimate from the 2010-11 Estimated for gross profit as a percentage of sales primarily relates to anticipated workflows through the Print Management Unit (PMU) and current market trends.
3. The increase in the 2010-11 Estimated actual from the 2010-11 Target/estimate for the current ratio is due to a combination of lower than anticipated value of unearned revenue for work in progress, lower than anticipated accrued employee benefits and partially offset by lower receivables as at 30 June 2011.
4. The new measure of reserved services security breaches indicates Goprint's ability to produce sensitive and confidential documents, securely.

INCOME STATEMENT

Goprint	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
User charges	1,3,6	10,344	9,120	11,660
Grants and other contributions		3,600	3,600	3,600
Other revenue		310	290	312
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**14,254**	**13,010**	**15,572**
Expenses				
Employee expenses	4,7	4,942	4,871	5,050
Supplies and services	2,5,8	8,800	7,940	10,010
Grants and subsidies		..	..	..
Depreciation and amortisation		452	450	452
Finance/borrowing costs		..	..	..
Other expenses		60	58	60
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**14,254**	**13,319**	**15,572**
Surplus or deficit before related income tax		**..**	**(309)**	**..**
Income tax expense/revenue		..	..	..
OPERATING SURPLUS/(DEFICIT) after related income tax		**..**	**(309)**	**..**

STATEMENT OF CHANGES IN EQUITY

Goprint	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation surplus		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		..	(309)	..
Total recognised income and expense for the period		**..**	**(309)**	**..**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Dividends paid or provided		..	..	..
Total movement in equity for period		**..**	**(309)**	**..**

BALANCE SHEET

Goprint	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	9,15,22	2,706	2,478	2,986
Receivables	10,16,23	1,470	1,124	1,281
Other financial assets		..	..	..
Inventories	11,17,24	440	223	323
Other	12,18	130	58	83
Non-financial assets held for sale		..	..	..
Total current assets		**4,746**	**3,883**	**4,673**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	19,25	2,642	2,661	2,209
Deferred tax assets		..	..	..
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**2,642**	**2,661**	**2,209**
TOTAL ASSETS		**7,388**	**6,544**	**6,882**
CURRENT LIABILITIES				
Payables		1,029	970	1,067
Interest-bearing liabilities and derivatives		..	..	..
Current tax liabilities		..	..	..
Accrued employee benefits	13,20	241	58	99
Provisions		..	..	..
Other	14,21,26	350	10	210
Total current liabilities		**1,620**	**1,038**	**1,376**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Deferred tax liabilities		..	..	..
Accrued employee benefits		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**1,620**	**1,038**	**1,376**
NET ASSETS/(LIABILITIES)		**5,768**	**5,506**	**5,506**
EQUITY				
Capital/contributed equity		14,885	14,885	14,885
Accumulated surplus/(accumulated deficit)		(9,117)	(9,379)	(9,379)
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**5,768**	**5,506**	**5,506**

CASH FLOW STATEMENT

Goprint	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges	27,32,35	11,274	9,994	12,876
Grants and other contributions	28,33	3,288	3,600	3,600
Other	29,36	1,148	950	1,245
Outflows:				
Employee costs		(4,898)	(5,004)	(5,009)
Supplies and services	30,34,37	(9,612)	(8,830)	(11,026)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Taxation equivalents paid		..	..	..
Other	31,38	(1,104)	(815)	(1,178)
Net cash provided by/(used in) operating activities		**96**	**(105)**	**508**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		..	(19)	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**..**	**(19)**	**..**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Dividends paid		..	..	..
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**96**	**(124)**	**508**
Cash at the beginning of financial year		**2,610**	**2,602**	**2,478**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**2,706**	**2,478**	**2,986**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
1. The decrease is due to lower than budgeted revenue available through the Print Management Unit (PMU).
2. The decrease is due to lower cost of sales resulting from the reduced sales.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
3. The increase is due to additional work anticipated through the PMU.
4. The increase is due to Enterprise Bargaining Agreement (EBA) salary increases.
5. The increase is due to higher cost of sales resulting from the increased sales.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
6. The increase is due to additional work anticipated through the PMU.
7. The increase is due to EBA salary increases.
8. The increase is due to higher cost of sales resulting from the increased sales.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
9. The decrease is due to the anticipated loss in 2010-11.
10. The decrease is due to lower than anticipated sales in 2010-11.
11. The decrease is due to lower than anticipated work-in progress as at 30 June 2011.
12. The decrease is due to lower than anticipated prepayments to suppliers for equipment rentals in 2010-11.
13. The decrease is due to a lower than anticipated salaries and wages accrual as at 30 June 2011.
14. The decrease is due to a lower value of unearned revenue for work in progress as at 30 June 2011.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
15. The increase is due to additional volumes of work anticipated in 2011-12.
16. The decrease is due to increased recovery from debtors.
17. The decrease is due to lower than anticipated work-in progress as at 30 June 2012.
18. The decrease is due to lower prepayments to suppliers for equipment rentals anticipated for 2011-12.
19. The decrease is due to depreciation of the asset base.
20. The decrease is due to a lower anticipated salaries and wages accrual as at 30 June 2012.
21. The decrease is due to a lower value of unearned revenue for work in progress as at 30 June 2012.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
22. The increase is due to additional volumes of work anticipated in 2011-12.
23. The increase is due to higher sales anticipated in 2011-12.
24. The increase is due to higher work-in progress as at 30 June 2012 due to increased sales.
25. The decrease is due to depreciation of the asset base.
26. The increase is due to a higher value of unearned revenue for work in progress as at 30 June 2012.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
27. The decrease is due to lower than budgeted revenue available through the PMU.
28. The increase is due to the community service obligation grant being fully drawn as at 30 June 2011.
29. The decrease is due to lower than anticipated sundry revenue combined with lower than anticipated input tax credits received from the Australian Taxation Office (ATO).
30. The decrease is due to lower cost of sales resulting from the reduced sales.
31. The decrease is due to lower than anticipated Goods and Services Tax (GST) remitted to the ATO.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
32. The increase is due to additional work anticipated through the PMU.
33. The increase is due to the community service obligation grant being fully drawn as at 30 June 2012.
34. The increase is due to higher cost of sales resulting from the increase sales.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
35. The increase is due to additional work anticipated through the PMU.
36. The increase is due to higher than anticipated sundry revenue combined with higher than anticipated input tax credits received from the ATO.
37. The increase is due to higher cost of sales resulting from the increased sales.
38. The increase is due to higher GST to be remitted to the ATO for 2011-12.

Sales and Distribution Services (SDS)

OVERVIEW

Sales and Distribution Services (SDS) provides supply management services and advice to support Queensland Government agency operations and service delivery. SDS operates three distinct service streams – SDS Distribution, SDS Logistics and SDS Publications. SDS Distribution is an online retail and distribution business trading educational, office, furniture and other agency specific products to schools and government agencies throughout Queensland. SDS Logistics provides cost-effective warehousing and distribution services to government agencies. SDS Publications is an online retail and distribution business which manages electronic and printed publications on behalf of Queensland Government agencies.

In the event of a natural disaster, SDS also provides a diverse range of office consumables, furniture and emergency relief consumables as well as expertise in logistics and warehouse management.

The key factors and challenges impacting on SDS include:
- continuing to improve the performance of all SDS' operations
- leveraging relationships with suppliers and customers to enhance the overall value of supply and encourage sustainable product and supply choices
- improving government awareness of cost efficiency in end-to-end management of supply
- maintaining staff morale, skills and commitment through targeted workforce management strategies
- enhancing the value of SDS to agencies and senior stakeholders, especially SDS' contribution to service delivery and savings strategies.

REVIEW OF PERFORMANCE

Recent achievements

Sales and Distribution Services' recent achievements include:
- relocating its publications warehouse from Woolloongabba to Zillmere, increasing efficiency and reducing warehouse costs
- implementing an integrated administrative structure to eliminate the duplication of core activities across SDS
- commencing re-engineering of the Zillmere and Brendale warehouses to increase the overall efficiency of SDS' distribution operations
- implementing a new business model for furniture supply, reducing the cost of day-to-day furniture supply and providing a whole-of-Government service for capital furniture deployment
- developing a new pricing model for SDS Publications to recognise the real costs of service provision and provide for electronic fulfilment services
- launching a communications campaign to enhance agency awareness of the significance of supply chain management in delivering improved outcomes
- delivering $600,000 in ad hoc emergency supplies in support of the Queensland floods in January 2011 and Tropical Cyclone Yasi in February 2011.

Future developments

In 2011-12, SDS will:

- consolidate its business operations following the substantial changes to SDS' operations and administrative structure in 2009-10
- continue to engage with major community service agencies to encourage the use of SDS' full spectrum of supply management solutions
- increase its focus on sustainability in management of the supply chain, and in communicating better supply management practices to its customer base
- roll out the new pricing model for SDS Publications.

STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service standards				
Client satisfaction	1	New measure	New measure	..
Financial measures				
Gross profit as a percentage of sales		28.6%	28.99%	29.53%
Net profit before tax and dividends as a percentage of sales	2,3	0.09%	(0.13)%	(0.04)%
Current ratio	4	New measure	New measure	1.09:1
Gearing level	5	New measure	New measure	57.99%

Notes:
1. The new measure of client satisfaction is included as a primary measure of effectiveness. A survey is being developed to ensure a consistent approach to measuring client satisfaction across the department and it includes elements of timeliness, ease of access, staff knowledge and outcome/quality of the service.
2. The decrease in the 2010-11 Estimated actual from the 2010-11 Target/estimate for net profit before tax and dividends as a percentage of sales is primarily due to an increase in freight charges and warehouse agency staff.
3. For 2011-12 the Target/estimate for net profit before tax and dividends as a percentage of sales, although negative, is expected to improve compared with 2010-11 Estimated actual. This is due to anticipated savings in freight costs as a result of implementing new freight arrangements.
4. The new measure of current ratio is a standard financial performance measure for the department's Commercialised Business Units (CBUs) and measures the short term liquidity of the business.
5. The new measure of gearing level is a standard financial measure for CBUs with borrowings, which is now applicable to SDS.

INCOME STATEMENT

SDS (Sales and Distribution Services)	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
User charges	1,5	62,230	64,885	62,642
Grants and other contributions		..	..	..
Other revenue	2,4	1,959	2,372	2,385
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**64,189**	**67,257**	**65,027**
Expenses				
Employee expenses		8,847	8,825	9,178
Supplies and services	3,6	54,527	57,828	54,957
Grants and subsidies		..	..	..
Depreciation and amortisation	7	342	381	603
Finance/borrowing costs		260	202	202
Other expenses		160	107	111
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**64,136**	**67,343**	**65,051**
Surplus or deficit before related income tax		**53**	**(86)**	**(24)**
Income tax expense/revenue		16	..	..
OPERATING SURPLUS/(DEFICIT) after related income tax		**37**	**(86)**	**(24)**

STATEMENT OF CHANGES IN EQUITY

SDS (Sales and Distribution Services)	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation surplus		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		37	(86)	(24)
Total recognised income and expense for the period		**37**	**(86)**	**(24)**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Dividends paid or provided		(18)	..	..
Total movement in equity for period		**19**	**(86)**	**(24)**

BALANCE SHEET

SDS (Sales and Distribution Services)	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets		450	450	450
Receivables		6,875	7,182	7,059
Other financial assets		..	..	..
Inventories	8,13	6,100	4,754	4,587
Other		295	250	228
Non-financial assets held for sale		..	..	..
Total current assets		**13,720**	**12,636**	**12,324**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	9,14,17	509	1,070	2,060
Deferred tax assets		347	257	257
Intangibles	10,15,18	750	393	563
Other		..	..	..
Total non-current assets		**1,606**	**1,720**	**2,880**
TOTAL ASSETS		**15,326**	**14,356**	**15,204**
CURRENT LIABILITIES				
Payables	11,16	5,946	4,972	5,002
Interest-bearing liabilities and derivatives	12,19	5,500	4,970	5,811
Current tax liabilities		..	..	..
Accrued employee benefits		160	223	223
Provisions		..	..	..
Other		320	284	285
Total current liabilities		**11,926**	**10,449**	**11,321**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Deferred tax liabilities		..	..	..
Accrued employee benefits		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**11,926**	**10,449**	**11,321**
NET ASSETS/(LIABILITIES)		**3,400**	**3,907**	**3,883**
EQUITY				
Capital/contributed equity		5,974	5,974	5,974
Accumulated surplus/(accumulated deficit)		(2,574)	(2,067)	(2,091)
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**3,400**	**3,907**	**3,883**

CASH FLOW STATEMENT

SDS (Sales and Distribution Services)	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges	20,30	68,539	71,162	68,975
Grants and other contributions		..	..	..
Other	21,26	6,506	8,476	8,180
Outflows:				
Employee costs		(8,847)	(9,010)	(9,178)
Supplies and services		(59,230)	(63,850)	(59,713)
Grants and subsidies		..	..	..
Borrowing costs		(260)	(202)	(202)
Taxation equivalents paid		..	..	..
Other	22,27	(6,418)	(7,359)	(7,140)
Net cash provided by/(used in) operating activities		**290**	**(783)**	**922**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	23,28,31	(290)	(748)	(1,763)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(290)**	**(748)**	**(1,763)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		12,000	11,840	11,016
Equity injections		..	..	..
Outflows:				
Dividends paid	24	..	(340)	..
Borrowing redemptions	25,29	(12,000)	(9,800)	(10,175)
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**..**	**1,700**	**841**
Net increase/(decrease) in cash held		**..**	**169**	**..**
Cash at the beginning of financial year		**450**	**281**	**450**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**450**	**450**	**450**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. The increase is due to additional furniture sales to schools, attributable to the Building the Education Revolution (BER) funding program in 2010-11.
2. The increase is due to the re-classification of catalogue rebates as other revenue. Catalogue rebates offset expenditure in the 2010-11 Budget under the heading Other expenses.
3. The increase is primarily related to the increase in cost of sales associated with the increase in sales.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

4. The increase is due to the re-classification of catalogue rebates as other revenue. Catalogue rebates offset expenditure in the 2010-11 budget under the heading Other expenses.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

5. The decrease is due to the completion of the BER funding program in 2011-12.
6. The decrease is primarily related to the reduction in cost of sales in line with the expected reduced sales.
7. The increase is due to an increase in planned capital expenditure.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

8. The decrease in inventory is due to implementation of direct ship initiatives.
9. The increase is due to an increase in planned capital expenditure.
10. The decrease is due to the deferral in planned capital expenditure on software.
11. The decrease is primarily due to timing of payments as at 30 June.
12. The decrease in borrowings is related to the deferral of capital expenditure into 2011-12.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

13. The decrease in inventory is due to implementation of direct ship initiatives.
14. The increase is due to an increase in planned capital expenditure.
15. The decrease is due to the deferral in planned capital expenditure on software.
16. The decrease is primarily due to timing of payments as at 30 June.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

17. The increase is due to an increase in planned capital expenditure.
18. The increase is due to the deferral of planned capital expenditure on software in 2010-11 to 2011-12.
19. The increase in borrowings is related to the increase in planned capital expenditure.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

20. The increase is due the additional furniture sales attributed to the BER funding program in 2010-11.
21. The increase is due to the higher than anticipated Goods and Services Tax (GST) credits on purchases to be received from the Australian Taxation office (ATO).
22. The increase is due to the higher than anticipated GST collected on sales to be paid to the ATO.
23. The increase is due to an increase in planned capital expenditure.
24. The variance is due to an actual surplus in 2009-10 which was not anticipated and thus resulting in a dividend being paid in 2010-11.
25. The decrease in Borrowing redemptions is due to greater use of the working capital facility for operational and investing activities.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

26. The increase is due to the higher GST credits on purchases to be received from the ATO.
27. The increase is due to the higher GST collected on sales to be paid to the ATO.
28. The increase is due to an increase in planned capital expenditure.
29. The decrease in Borrowing redemptions is due to available funds being utilised in operational and investing activities rather than redemption of the working capital facility.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

30. The decrease is due to the completion of the BER program during 2011-12.
31. The increase is due to an increase in planned capital expenditure.

Shared Service Provider

Queensland Shared Services

OVERVIEW

Under the revised shared service direction, the Department of Public Works has merged CorpTech and the Shared Service Agency to form Queensland Shared Services as at 1 July 2011 and will be transferring functions to the Department of Education and Training by July 2011. Planning is underway to transition functions to Queensland Health in 2012.

Planning for the transition of finance and payroll functions from the Department of Public Works to Queensland Health and the Department of Education and Training is currently under way.

The key factors and challenges impacting on Queensland Shared Services are:

- responding to the *PricewaterhouseCoopers Review of the Shared Services Model for Queensland Government*
- the transition of the Shared Service Agency and CorpTech into a single entity within the Department of Public Works
- implementing robust performance measures that provide better information to clients and government
- continuing to improve internal controls to support services and to ensure greater administrative efficiency
- building the capacity and skills of the workforce to deliver a diverse range of human resource and finance management systems
- maintaining a range of different systems and software versions to manage existing human resource, payroll and financial management systems
- continuing to rationalise and consolidate human resource and financial management systems.

REVIEW OF PERFORMANCE

Recent achievements

The Shared Service Agency's recent achievements include:

- continuing to provide services to Queensland Government agencies, including processing the following on a monthly basis:
  - 170,000 pays;
  - 8,700 job applications, 4,200 appointments and 1,400 staff separations;
  - 330,000 accounts payable invoice lines; and
  - 480,000 mail items.
- progressing the consolidation and standardisation of services through five central business district and six regional service centre locations
- refining the business model, governance arrangements, customer relationship models and structures to improve service delivery and reduce the cost of services to clients
- simplifying the current pricing for services delivered to client agencies.

CorpTech's recent achievements include:

- managing applications for payroll services delivered for approximately 235,000 Queensland public servants each fortnight and the finance systems services that process thousands of financial transactions per fortnight
- implementing robust, consistent end-to-end ICT industry-standard practices for business processes to deliver faster and more effective services
- delivering projects for the Department of Transport and Main Roads, the Department of Environment and Resource Management, and the Department of Community Safety to migrate employee records to support changes to organisational arrangements resulting from machinery-of-Government changes
- providing an uninterrupted service and maintaining public sector critical human resource and finance applications during the Queensland floods in January 2011
- working in partnership with Queensland Health to stabilise and enhance the Queensland Health Human Resources Payroll Solution
- implementing the Paid Parental Leave Scheme, a priority Australian Government legislative initiative, which required changes to all payroll systems across the sector
- progressing implementation of the approved recommendations arising from the *PricewaterhouseCoopers Review of the Shared Services Model for Queensland Government*, particularly the transition of payroll functions to the Department of Education and Training and finance and payroll functions to Queensland Health.

Future developments

In 2011-12, Queensland Shared Services will:

- continue to implement recommendations of the *PricewaterhouseCoopers Review of the Shared Services Model for Queensland Government* including:
  - the transition of payroll functions to the Department of Education and Training;
  - the transition of finance and payroll functions to Queensland Health; and
  - the development of a funding model for Queensland Shared Services.
- implement a revised Corporate Solutions Program, which focuses on consolidating and upgrading human resource and finance systems across government
- continue the consolidation and standardisation of services to provide more streamlined, cost-effective and timely services to clients including the implementation of a business improvement program
- continue to refine performance measures to identify process improvement opportunities, increase productivity and provide better information to clients
- deliver further machinery-of-Government human resource and finance system consolidations.

STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service standards				
Client satisfaction	1	New measure	New measure	..
Net cost reduction achieved (financial, HR and mail services)	2	New measure	New measure	≥3.5%
Successful completion of priority projects as a percentage:	3	New measure	New measure	
- on time				100%
- on budget				100%
Other measures				
Delivery of services within agreed standards	4	New measure	New measure	≥95%
Percentage of priority one incidences resolved within agreed timeframes		80%	82%	≥90%
Percentage of system availability of Finance and Human Resource System		98%	99%	≥98%

Notes:
1. The new measure of client satisfaction is included as a primary measure of effectiveness. A survey is being developed to ensure a consistent approach to measuring client satisfaction across the department and it includes elements of timeliness, ease of access, staff knowledge and outcome/quality of the service.
2. The new measure of net cost reduction achieved indicates reduction in costs (for financial, HR and mail services excluding former CorpTech services cost) through economies of scale, improving efficiency, reducing duplication and streamlining processes.
3. The new measure of successful completion of priority projects as a percentage: on time; on budget refers to high priority projects and includes machinery-of-Government implementations.
4. The new measure of delivery of services within agreed standards provides an indication of the percentage of services effectively delivered to standards agreed within operating level agreements.

INCOME STATEMENT

Shared Service Agency	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
User charges	1	188,076	176,425	..
Grants and other contributions	2	1,308	2,508	..
Other revenue		196	196	..
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**189,580**	**179,129**	**..**
Expenses				
Employee expenses	3	105,270	96,202	..
Supplies and services		80,634	77,906	..
Grants and subsidies		..	..	..
Depreciation and amortisation	4	2,534	2,091	..
Finance/borrowing costs		..	..	..
Other expenses	5	1,142	2,930	..
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**189,580**	**179,129**	**..**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

STATEMENT OF CHANGES IN EQUITY

Shared Service Agency	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation surplus		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		..	..	..
Total recognised income and expense for the period		..	..	..
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**..**	**..**	**..**

BALANCE SHEET

Shared Service Agency	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	6	2,971	4,901	..
Receivables	7	20,373	23,144	..
Other financial assets		..	..	..
Inventories		..	..	..
Other	8	510	191	..
Non-financial assets held for sale		..	..	..
Total current assets		**23,854**	**28,236**	**..**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		5,243	5,473	..
Intangibles	9	525	341	..
Other		..	..	..
Total non-current assets		**5,768**	**5,814**	**..**
TOTAL ASSETS		**29,622**	**34,050**	**..**
CURRENT LIABILITIES				
Payables	10	9,532	8,055	..
Accrued employee benefits		2,359	3,088	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	11	..	3,551	..
Total current liabilities		**11,891**	**14,694**	**..**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**11,891**	**14,694**	**..**
NET ASSETS/(LIABILITIES)		**17,731**	**19,356**	**..**
EQUITY				
Capital/contributed equity		14,798	14,798	..
Accumulated surplus/(accumulated deficit)	12	2,933	4,558	..
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**17,731**	**19,356**	**..**

CASH FLOW STATEMENT

Shared Service Agency	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges		208,986	198,124	..
Grants and other contributions	13	1,308	2,508	..
Other		8,903	8,563	..
Outflows:				
Employee costs	14	(105,234)	(97,226)	..
Supplies and services		(89,231)	(83,652)	..
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(22,640)	(22,770)	..
Net cash provided by/ (used in) operating activities		**2,092**	**5,547**	**..**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	…
Outflows:				
Payments for property, plant and equipment and intangibles	15	(235)	(1,199)	..
Payments for investments		..	..	..
Loans and advances made	16	..	(2)	..
Net cash provided by/(used in) investing activities		**(235)**	**(1,201)**	**..**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**1,857**	**4,346**	**..**
Cash at the beginning of financial year		**1,114**	**555**	**..**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**2,971**	**4,901**	**..**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Under the revised shared service direction, the Department of Public Works has merged CorpTech and the Shared Service Agency to form Queensland Shared Services as at 1 July 2011 and will be transferring functions to the Department of Education and Training by July 2011. Planning is underway to transition functions to Queensland Health in 2012. As a result, the Shared Services Agency does not have a 2011-12 Estimate.

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. The decrease is mainly due to a reduction in CorpTech fees for the 2010-11 financial year.
2. The increase is due to the drawdown of carry over funding for business improvement projects.
3. The decrease is due to a combination of efficiencies gained through improved processes and reduced demand for services.
4. The decrease is due to capital rationalisation, efficient capital management and a reduction in information and communication technology (ICT) infrastructure replacement in preparedness for transition to a third party provider arrangement for these services.
5. The increase is mainly due to provision for doubtful debts.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

6. The increase in cash is mainly due to the collection of depreciation for ICT and other plant through user charges in excess of the current level of planned capital replacement expenditure.
7. The increase relates mainly to CorpTech invoices billed in advance (previously in arrears).
8. The decrease is due to an adjustment to the estimate of prepaid salaries as at 30 June 2011.
9. The decrease is in line with the revised amortisation of intangibles.
10. The decrease is mainly due to a reduction in CorpTech fees for the 2010-11 financial year.
11. The increase relates to CorpTech invoices billed in advance by the Shared Service Agency to clients (previously in arrears).
12. The increase in retained surplus is mainly due to the capitalisation of leasehold improvements at Gabba Towers received from the Departmental Entity of the Department of Public Works in 2009-10.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

13. The increase is due to the draw down of carry over funding for business improvement projects.
14. The decrease is due to a combination of efficiencies gained through improved processes and reduced demand for services.
15. The increase is due capital costs incurred for the regional network upgrade.
16. The increase relates primarily to advance payments of travel allowances to employees.

INCOME STATEMENT

CorpTech	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
User charges	1	120,629	117,372	..
Grants and other contributions	2	2,621	31,398	..
Other revenue		358	358	..
Gains on sale/impairment of property, plant and equipment and investments		..	..	..
Total income		**123,608**	**149,128**	**..**
Expenses				
Employee expenses	3	40,346	41,651	..
Supplies and services	4	58,498	79,525	..
Grants and subsidies		..	..	..
Depreciation and amortisation	5	22,043	10,952	..
Finance/borrowing costs		..	..	..
Other expenses	6	2,721	5,156	..
Losses on sale/impairment of property, plant and equipment and investments	7	..	51,511	..
Total expenses		**123,608**	**188,795**	
OPERATING SURPLUS/(DEFICIT)		**..**	**(39,667)**	**..**

STATEMENT OF CHANGES IN EQUITY

CorpTech	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation surplus		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period	8	..	(39,667)	..
Total recognised income and expense for the period		**..**	**(39,667)**	**..**
Equity injection/(withdrawal)	9	(26,132)	(29,132)	..
Equity adjustments (MoG transfers)		..	(206)	..
Total movement in equity for period		**(26,132)**	**(69,005)**	**..**

BALANCE SHEET

CorpTech	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	10	30,826	35,379	..
Receivables	11	17,922	9,781	..
Other financial assets		..	..	..
Inventories		..	..	..
Other		1,775	2,054	..
Non-financial assets held for sale		2	..	..
Total current assets		**50,525**	**47,214**	**..**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		1,209	1,082	..
Intangibles	12	145,148	106,984	..
Other		..	..	..
Total non-current assets		**146,357**	**108,066**	**..**
TOTAL ASSETS		**196,882**	**155,280**	**..**
CURRENT LIABILITIES				
Payables	13	16,683	10,450	..
Accrued employee benefits	14	2,553	875	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**19,236**	**11,325**	**..**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	..	..
TOTAL LIABILITIES		**19,236**	**11,325**	**..**
NET ASSETS/(LIABILITIES)		**177,646**	**143,955**	**..**
EQUITY				
Capital/contributed equity		177,342	177,751	..
Accumulated surplus/(accumulated deficit)	15	304	(33,796)	..
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**177,646**	**143,955**	**..**

CASH FLOW STATEMENT

CorpTech	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges		121,159	124,110	..
Grants and other contributions	16	2,621	31,398	..
Other	17	13,364	8,609	..
Outflows:				
Employee costs	18	(40,341)	(41,646)	..
Supplies and services	19	(57,998)	(87,276)	..
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(15,727)	(16,929)	..
Net cash provided by/ (used in) operating activities		**23,078**	**18,266**	**..**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		(3,645)	(3,215)	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(3,645)**	**(3,215)**	**..**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	20	(26,132)	(29,155)	..
Net cash provided by/(used in) financing activities		**(26,132)**	**(29,155)**	**..**
Net increase/(decrease) in cash held		**(6,699)**	**(14,104)**	**..**
Cash at the beginning of financial year		**37,525**	**49,483**	**..**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**30,826**	**35,379**	**..**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

General Note:
Under the revised shared service direction, the Department of Public Works has merged CorpTech and the Shared Service Agency to form Queensland Shared Services as at 1 July 2011 and will be transferring functions to the Department of Education and Training by July 2011. Planning is underway to transition functions to Queensland Health in 2012. As a result, CorpTech does not have a 2011-12 Estimate.

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. The decrease is mainly due to a reduction in annual user charges through grant subsidies and is partially offset by increases in ad-hoc charges for agency specific projects and additional funding from Queensland Health for the Queensland Health Human Resources solution (QH HR).
2. The increase is due to additional funding required to subsidise the reduction in annual user charges and increased funding for the Corporate Solutions Program (CSP).
3. The increase is mainly due to additional staff for QH HR.
4. The increase is mainly due to additional contractor and computer charges for QH HR, the CSP and agency specific projects.
5. The decrease is mainly due to changes in useful life and revaluation of internally generated software assets.
6. The increase is mainly due to increased software licence expense.
7. The increase is due to the impairment expense arising from the revaluation of internally generated software assets.

Statement of changes in equity

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

8. The variance is due to the operating deficit in 2010-11 resulting from changes in useful life and revaluation of internally generated software assets in 2010-11.
9. The increase is due to a change in timing of equity withdrawals to fund the CSP.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

10. The increase is mainly due to improved debt recovery processes.
11. The decrease is mainly due to improved debt recovery processes.
12. The decrease is mainly due to the revaluation of internally generated software assets in 2010-11 and is partially offset by the reduced amortisation charge for 2010-11.
13. The decrease is mainly due to improved vendor payment processes.
14. The decrease is due to a reduction in payables to the Annual Leave Central Scheme and a reduction in the salaries and wages payable at 30 June to reflect the timing of the last payroll for the year.
15. The decrease is mainly due to the operating deficit in 2010-11.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

16. The increase is due to additional funding required to subsidise the reduction in annual user charges and increased funding for the CSP.
17. The decrease is due to a reclassification of Goods and Services Tax (GST) inflows from Other to User charges.
18. The increase is mainly due to additional staff for QH HR.
19. The increase is mainly due to additional contractor and computer charges for QH HR, the CSP and agency specific projects.
20. The increase is due to an equity to operating swap to fund operating activities of CSP brought forward from 2011-12.

INCOME STATEMENT

Queensland Shared Services	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
User charges		..	..	248,990
Grants and other contributions		..	..	11,192
Other revenue		..	..	554
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**..**	**..**	**260,736**
Expenses				
Employee expenses		..	..	142,972
Supplies and services		..	..	100,833
Grants and subsidies		..	..	..
Depreciation and amortisation		..	..	12,230
Finance/borrowing costs		..	..	..
Other expenses		..	..	4,701
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**..**	**..**	**260,736**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

STATEMENT OF CHANGES IN EQUITY

Queensland Shared Services	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation surplus		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		..	..	..
Total recognised income and expense for the period		..	..	..
Equity injection/(withdrawal)		..	..	(14,875)
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**..**	**..**	**(14,875)**

BALANCE SHEET

Queensland Shared Services	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets		..	..	35,525
Receivables		..	..	33,915
Other financial assets		..	..	..
Inventories		..	..	..
Other		..	..	2,315
Non-financial assets held for sale		..	..	..
Total current assets		**..**	**..**	**71,755**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		..	..	5,379
Intangibles		..	..	98,592
Other		..	..	..
Total non-current assets		**..**	**..**	**103,971**
TOTAL ASSETS		**..**	**..**	**175,726**
CURRENT LIABILITIES				
Payables		..	..	18,946
Accrued employee benefits		..	..	3,963
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	4,381
Total current liabilities		**..**	**..**	**27,290**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**..**	**..**	**27,290**
NET ASSETS/(LIABILITIES)		**..**	**..**	**148,436**
EQUITY				
Capital/contributed equity				177,674
Accumulated surplus/(accumulated deficit)				(29,238)
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**..**	**..**	**148,436**

CASH FLOW STATEMENT

Queensland Shared Services	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges		..	..	281,566
Grants and other contributions		..	..	11,192
Other		..	..	16,301
Outflows:				
Employee costs		..	..	(142,972)
Supplies and services		..	..	(115,858)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		..	..	(37,788)
Net cash provided by/ (used in) operating activities		**..**	**..**	**12,441**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	…
Outflows:				
Payments for property, plant and equipment and intangibles		..	..	(2,321)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**..**	**..**	**(2,321)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	(14,875)
Net cash provided by/(used in) financing activities		**..**	**..**	**(14,875)**
Net increase/(decrease) in cash held		**..**	**..**	**(4,755)**
Cash at the beginning of financial year		**..**	**..**	**40,280**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**..**	**..**	**35,525**

Statutory Body

Queensland Building Services Authority

OVERVIEW

The Queensland Building Services Authority (the Authority) is a statutory body established under the *Queensland Building Services Authority Act 1991* (the Act). The Authority provides a comprehensive licensing regime for the building industry and performs regulatory functions under this Act. The Authority also administers the *Building and Construction Industry Payments Act 2004*, the *Subcontractors Charges Act 1974* and the *Domestic Building Contracts Act 2000*.

A principal role of the Authority is the provision of remedies for defective building work which includes a home warranty insurance scheme providing compensation for defective or incomplete construction. The Authority delivers information and advice to consumers, builders and contractors through a variety of mechanisms including publications, education shows and consumer seminars.

The Authority currently licences 86,390 contractors including accredited building certifiers.

REVIEW OF PERFORMANCE

Recent achievements

The Authority's recent achievements include:

- opening the Authority's Cassowary Coast office to assist victims of Tropical Cyclone Yasi
- issuing 71,180 home warranty insurance policies covering $7.9 billion of residential construction work and approved $41.3 million in home warranty claims
- completing 163 contractor education shows and 25 consumer education seminars attended by 9,822 contractors and 472 consumers
- completing 14 consumer seminars and nine contractor seminars, attended by 395 consumers and 667 contractors, in flood-affected areas to provide advice to affected homeowners on building and flood-related issues
- managing 5,800 dispute notifications
- registering 650 adjudicated applications under the *Building and Construction Industry Payments Act 2004* with a value of $120 million
- introducing the Natural Disaster Repair Contract to facilitate repairs in disaster situations
- undertaking 6,700 compliance activities including financial investigations, unlicensed contracting and advertising breaches.

Future developments

During 2011-12, the Authority will:

- introduce technology to allow lodgement of licence renewals online and increase educational material available online
- continue education of contractors on business management skills and common defects

- continue to assist with providing advice and technical support in rebuilding Queensland following the floods and Cyclone Yasi.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
		355	365	369

Notes:
1. The increase in the 2010-11 Estimated actual from the 2010-11 Budget is due to the recruitment of additional technical staff to accommodate increased workloads in dispute management and compliance.

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service standards				
Unlicensed contracting rate		New measure	2%	1.5%
Percentage of customers satisfied with advice and support provided		90%	92%	90%
Percentage of certifiers' assessments of building permits compliant		85%	93%	85%
Other measures				
Number of dispute notifications finalised	1	6,800	5,800	6,000
Number of insurance claims finalised		1,800	1,700	1,700
Percentage of licence applications processed within 45 days		82%	82%	82%
Percentage of disputes finalised within 80 days		60%	54%	55%
Percentage of calls answered within 60 seconds or less	2	70%	60%	70%

Notes:
1. The decrease in the 2010-11 Estimated actual from the 2010-11 Budget is due to increased workloads as a result of higher complex defects claim numbers resulting in longer case management times
2. The decrease in the 2010-11 Estimated actual from the 2010-11 Budget is due to an increased volume of enquiries as a result of the 2011 natural disasters and the implementation of fire occupational licensing.

INCOME STATEMENT

Queensland Building Services Authority	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
User charges	1,5	71,602	59,740	62,961
Grants and other contributions		..	..	..
Other revenue	2,6	81,503	99,883	91,082
Gains on sale/revaluation of property, plant and equipment and investments	3,7,8	(2)	5	16
Total income		**153,103**	**159,628**	**154,059**
Expenses				
Employee expenses		32,332	31,466	34,734
Supplies and services		15,467	14,951	16,082
Grants and subsidies		..	..	..
Depreciation and amortisation	4,9	1,587	1,258	1,612
Finance/borrowing costs		..	..	..
Other expenses		98,699	107,981	97,247
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**148,085**	**155,656**	**149,675**
OPERATING SURPLUS/(DEFICIT)		**5,018**	**3,972**	**4,384**

STATEMENT OF CHANGES IN EQUITY

Queensland Building Services Authority	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation surplus		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		5,018	3,972	4,384
Total recognised income and expense for the period		**5,018**	**3,972**	**4,384**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period	10,11,12	**5,018**	**3,972**	**4,384**

BALANCE SHEET

Queensland Building Services Authority	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	13,22,34	5,306	13,597	37,717
Receivables	14,23,35	54,354	42,687	39,944
Other financial assets		149,608	146,917	148,956
Inventories		..	..	..
Other	15,24	23,457	17,721	18,230
Non-financial assets held for sale		..	..	..
Total current assets		**232,725**	**220,922**	**244,847**
NON-CURRENT ASSETS				
Receivables	16,25	84,771	99,373	111,198
Other financial assets		..	..	..
Property, plant and equipment		6,918	6,402	6,197
Intangibles	26	1,695	1,166	2,533
Other	27,36	426	426	354
Total non-current assets		**93,810**	**107,367**	**120,282**
TOTAL ASSETS		**326,535**	**328,289**	**365,129**
CURRENT LIABILITIES				
Payables	17,28,37	52,706	32,382	42,761
Accrued employee benefits	29	2,922	3,098	3,348
Interest-bearing liabilities and derivatives		..	..	..
Provisions	18,30	32,437	46,761	46,711
Other	19,31,38	29,431	24,853	25,770
Total current liabilities		**117,496**	**107,094**	**118,590**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		3,855	3,446	3,958
Interest-bearing liabilities and derivatives		..	..	..
Provisions	20,32,39	136,224	160,055	180,806
Other	33	1,491	1,491	1,188
Total non-current liabilities		**141,570**	**164,992**	**185,952**
TOTAL LIABILITIES		**259,066**	**272,086**	**304,542**
NET ASSETS/(LIABILITIES)		**67,469**	**56,203**	**60,587**
EQUITY				
Capital/contributed equity		..	..	..
Accumulated surplus/(accumulated deficit)	21	67,469	56,203	60,587
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**67,469**	**56,203**	**60,587**

CASH FLOW STATEMENT

Queensland Building Services Authority	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges	50	63,669	59,308	68,622
Grants and other contributions		..	..	..
Other		67,444	63,422	66,583
Outflows:				
Employee costs		(32,031)	(31,383)	(33,972)
Supplies and services	40,44,51	(18,242)	(7,272)	(15,572)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other	45,52	(74,843)	(76,127)	(67,390)
Net cash provided by/(used in) operating activities		**5,997**	**7,948**	**18,271**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment	41,46,53	(2)	5	(302)
Investments redeemed	47,54	..	..	8,607
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	42,48,55	(2,102)	(1,504)	(2,456)
Payments for investments	43,49,56	(3,893)	(10,962)	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(5,997)**	**(12,461)**	**5,849**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**..**	**(4,513)**	**24,120**
Cash at the beginning of financial year		**5,306**	**18,110**	**13,597**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**5,306**	**13,597**	**37,717**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. The movement is due to lower than forecast insurance premium income as residential building industry downturn continues.
2. The movement is due to better than forecast investment returns and an increase in reinsurance recoveries on claims following high claims approvals.
3. The movement is due to better than forecast trade in values on motor vehicle replacements.
4. The movement is due to delay in capital spending on software development.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

5. The movement is due to lower than forecast insurance premium income as residential building industry downturn continues.
6. The movement is due to reduction in insurance claims recovery rate due to high numbers of financial failures, reduction in reinsurance claims recoveries due to the Authority increasing risk retention from 20% to 30% and higher interest earnings.
7. The movement is due to better than forecast trade in values on motor vehicle replacements.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

8. The movement is due to better than forecast trade in values on motor vehicle replacements.
9. The movement is due to delay in capital spending on software development.

Statement of changes in equity

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

10. The movement is due lower than forecast insurance premium income as residential building industry downturn continues.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

11. The movement is due to lower insurance premium income as a result of continued downturn in residential building industry.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

12. The movement is due to increased income from the Authority increasing risk retention from 20% to 30%.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

13. The movement is due to additional cash reserves.
14. The movement is due to reduction in insurance claims recovery rate due to high numbers of financial failures and reduction in reinsurance claims recoveries due to the Authority's increased risk retention from 20% to 30%.
15. The movement is due to reduction in reinsurer's share of unearned premium due to the Authority's increasing risk retention from 20% to 30%.
16. The movement is due to increase in reinsurer's share of future claims provisions as a result of actuarial advice.
17. The movement is due to reduction in reinsurer's claims recovered provisions due to adjustments to provision for bad debts and an increase in the Authority's risk retention from 20% to 30%.
18. The movement is due to increase in reinsurer's share of future claims provision as a result of actuarial advice.
19. The movement is due lower than forecast insurance premium income as residential building industry downturn continues.
20. The movement is due to increase in future claims provision as a result of actuarial advice and the Authority increasing risk retention from 20% to 30%.
21. The movement is due to a high 2010-2011 opening balance due to the predicted profit from financial 2009/2010 not being realised.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

22. The movement is due additional cash reserves.
23. The movement is due to reduction in insurance claims recovery rate due to high numbers of financial failures and reduction in reinsurance claims recoveries due to the Authority increasing risk retention from 20% to 30%.
24. The movement is due to reduction in reinsurer's share of unearned premium due to the Authority increasing risk retention from 20% to 30%.
25. The movement is due to increase in reinsurer's share of future claims provisions as a result of actuarial advice.
26. The movement is due to delayed capital spending on software development.
27. The movement is due to a reducing asset for leasehold restoration for the Authority's head office paid in advance.
28. The movement is due to reduction in reinsurer's claims recovered provisions due to adjustments to provision for bad debts and an increase in the Authority's risk retention from 20% to 30%.
29. The movement is due to increase staff numbers and high staff retention rate.
30. The movement is due to increase in reinsurer's share of future claims provisions as a result of actuarial advice.
31. The movement is due lower than forecast insurance premium income as residential building industry downturn continues.
32. The movement is due to increase in future claims provision as a result of actuarial advice and the Authority increasing risk retention.
33. The movement is due to recognition of the Authority's head office lease incentive over the 10 year lease period.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

34. The movement is due to additional cash reserves.
35. The movement is due to reduction in insurance claims recovery rate due to high numbers of financial failures and reduction in reinsurance claims recoveries due to the Authority increasing risk retention from 20% to 30%.

36. The movement is due to a reducing asset for leasehold restoration for the Authority's head office paid in advance.
37. The movement is due to 10% increase in reinsurer's claims recovered provisions due to actuarial advice of increase in defects claims incidents in early reinsurance periods where reinsurance was 80%.
38. The movement is due to increased income from the Authority increasing risk retention from 20% to 30%.
39. The movement is due to increase in future claims provision as a result of actuarial advice and the Authority's increasing risk retention from 20% to 30%.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
40. The movement is due to reduction in reinsurer's claims recovered provisions due to adjustments to provision for bad debts and an increase in the Authority's risk retention from 20% to 30%.
41. The movement is due to better than forecast trade in values on motor vehicle replacements.
42. The movement is due to capital spending on software development delayed from 2010-2011.
43. The movement is due to injection of funds into investments to cover future claims provisions following actuarial advice.

Major variations between 2010-11 Budget and the 2011-12 Estimate include:
44. The movement is due to reduction in reinsurer's claims recovered provisions due to adjustments to provision for bad debts and an increase in the Authority's risk retention from 20% to 30%.
45. The movement is due to reduction in movement from 2010-2011 in future claims provision.
46. The movement is due to increased disposals of motor fleet.
47. The movement is due to balancing of investment portfolio to cash to comply with the Authority's approved investment strategy.
48. The movement is due to capital spending on software development delayed from 2010-2011.
49. The movement is due to balancing of investment portfolio to cash.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
50. The movement is due to increased income from the Authority increasing risk retention from 20% to 30%.
51. The movement is due to 10% increase in reinsurer's claims recovered provisions due to actuarial advice of increase in defects claims incidents in early reinsurance periods where reinsurance was 80%.
52. The movement is due to reduction in the movement from 2010-2011 in future claims provision.
53. The movement is due to increased disposals of motor fleet.
54. The movement is due to balancing of investment portfolio to cash to comply with the Authority's approved investment strategy.
55. The movement is due to capital spending on software development delayed from 2010-2011.
56. The movement is due to balancing of investment portfolio to cash.

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State Budget 2011–12

Service Delivery Statements

Book 2

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Service Delivery Statements

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Department of the Premier and Cabinet	Department of Employment, Economic Development and Innovation	Department of Communities	Legislative Assembly of Queensland	Appendix – Discontinued performance measures
Office of the Governor	Department of Local Government and Planning	Department of Education and Training		
Public Service Commission	Department of Transport and Main Roads	Department of Environment and Resource Management		
Queensland Audit Office	Department of Public Works	Department of Police		
Treasury Department		Department of Justice and Attorney-General		
Department of Health		Electoral Commission of Queensland		
Department of Community Safety		Office of the Ombudsman		
		Public Trust Office		

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Book 2

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State Budget 2011–12

Service Delivery Statements

Book 3

Queensland Government

2011–12 State Budget Papers

1. Budget Speech

2. Budget Strategy and Outlook

3. Capital Statement

4. Budget Measures

5. Service Delivery Statements

Budget Highlights

This suite of Budget Papers is similar to that published in 2010–11.

The Budget Papers are available online at www.budget.qld.gov.au. They can be purchased through the Queensland Government Bookshop – individually or as a set – by phoning 1800 801 123 or at www.bookshop.qld.gov.au

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Service Delivery Statements
Book 3
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PART 12

Department of Communities

Summary of departmental portfolio budgets[1]

Page	Agency	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
3-1	Department of Communities – controlled	4,185,639	3,931,023	4,441,610
	Department of Communities – administered	290,226	346,510	323,757
3-31	Commission for Children and Young People and Child Guardian	46,930	44,904	47,721
3-41	Family Responsibilities Commission	4,284	4,578	4,135
3-49	Residential Tenancies Authority	28,730	31,957	37,157

Note:
1. Explanations of variances are provided in the financial statements

DEPARTMENTAL OVERVIEW

MINISTERIAL RESPONSIBILITY

The Department of Communities, along with the Department of Education and Training and Queensland Health, contributes to social development outcomes for Queensland. Four Ministers are responsible for the Department of Communities portfolio:

- Minister for Transport and Multicultural Affairs
- Minister for Child Safety and Minister for Sport
- Minister for Community Services and Housing and Minister for Women
- Minister for Disability Services, Mental Health and Aboriginal and Torres Strait Islander Partnerships.

The Ministers work closely together and with other Ministers in the social development cluster and across government, to deliver improved services and outcomes for Queenslanders.

STRATEGIC ISSUES

The department provides integrated community services and support to vulnerable and disadvantaged Queenslanders and encourages Queenslanders to lead active and healthy lifestyles. This will help build fair, cohesive and vibrant Queensland communities.

The department's key objectives focus on providing: better pathways for our customers and clients; a stronger service system that delivers value; more inclusive, active and safe communities; and ensuring the effective management of our key business processes and our human and financial resources.

The department's strategic direction focuses on:

- achievement of *Toward Q2: Tomorrow's Queensland* ambitions and targets, in particular:
  - *Fair – supporting safe and caring communities*: The department leads the development of a whole-of-Government target delivery plan to *Increase by 50% the proportion of Queenslanders involved in their communities as volunteers*. In addition, the department contributes to *Halve the proportion of Queensland children living in a household without a working parent* by supporting highly vulnerable Queenslanders to overcome barriers preventing workforce participation, and by engaging with industry to generate jobs, particularly for Indigenous Queenslanders;
  - *Healthy – making Queenslanders Australia's healthiest people*: The department contributes to the target *Cut by one-third obesity, smoking, heavy drinking and unsafe sun exposure* by increasing opportunities for Queenslanders to participate in sport and active recreation by promoting healthy eating and sun safety practices, and the target *Shortest public hospital waiting times in Australia* by freeing up hospital beds by ensuring vulnerable individuals including those with a disability or mental illness are supported to live in more appropriate community based settings;
  - *Smart – delivering world class education and training*: The department contributes to the target *All children will have access to a quality early childhood education so they are ready for school* by supporting children and vulnerable individuals to access quality education and training and ultimately improve their schooling and life outcomes; and
  - *Green – protecting our lifestyle and environment*: The department contributes to the target *Protect 50% more land for nature conservation and public recreation* by supporting planning for the best recreational use of land and by supporting private land-owners to allow public access to their land for recreational purposes.

- leading the Queensland Government's community recovery response and contributing to the reconstruction of Queensland communities following extensive damage to communities caused by flooding across the State and Tropical Cyclone Yasi in North Queensland
- implementing national strategies and partnership commitments related to disability, mental health and home and community care (under National Health Reforms), disaster resilience, housing, homelessness, and remote Indigenous housing
- 'closing the gap' by working with Aboriginal and Torres Strait Islander Queenslanders to drive reform in service delivery, infrastructure and planning
- supporting Queensland's vulnerable individuals, children and families through earlier intervention strategies and better access to support services.

2011-12 HIGHLIGHTS

In 2011-12 the department will provide:

- a record budget for disability and community care services of $1.775 billion (an increase of 10.1%) which includes additional funding of:
  - $7.4 million from 2011-12 to expand support for young people with a disability leaving school or the child protection system;
  - $4.3 million from 2011-12 to expand long-term accommodation support options to support people with a disability to live in their communities;
  - $11.2 million over three years for extra mental health community services to support people in areas affected by recent natural disasters, including $2.5 million from the Queensland Government as part of its share under Natural Disaster Relief and Recovery Arrangements (NDRRA), $7.5 million from the Australian Government as its share under NDRRA, and $1.2 million reprioritised by the department;
  - an additional $2.5 million each year in capital funding in 2011-12 and 2012-13 to purchase land in Far North Queensland, North Queensland and Brisbane regions; and
  - a new Forensic Disability Service under the *Forensic Disability Act 2011*.
- an additional $20 million over three years to help re-establish community functioning and networks through community development, community engagement and funding of community events and memorials, including $5 million from the Queensland Government as part of the State's share of NDRRA and $15 million from the Australian Government as its share under NDRRA
- an additional $5.8 million over three years to provide financial counselling to disaster-affected residents and the broader community, including $1.14 million from the Queensland Government as part of the State's share of NDRRA, $3.5 million from the Australian Government as its share under NDRRA and a further $1.16 million from the Queensland Government
- an additional $3.3 million ($12.9 million over four years) to improve the safety and wellbeing of people affected by domestic violence
- additional funding of $3.8 million in 2011-12 ($10.7 million over four years and $3.8 million ongoing from 2015-16) to address chronic homelessness and public intoxication in the Townsville Central Business District, with the Australian Government providing $2.4 million each year for 2011-12 and 2012-13 under the Homelessness National Partnership Agreement
- $1.3 million each year for 2011-12 and 2012-13 to continue the Youth Opportunity Program in Far North Queensland aimed at diverting Aboriginal and Torres Strait Islander people from the youth justice system
- $12.6 million as incentives to investors to provide new affordable private rental dwellings across Queensland as part of the National Rental Affordability Scheme

- increased recurrent funding of $2 million for the EVOLVE program to provide intensive therapeutic health services for more than 40 additional children and young people each year with complex and extreme needs in the child protection system
- $3.8 million to fund a health home visiting service and $1.3 million to establish a Family Support Alliance and streamline referrals for vulnerable families, as part of the *Helping out Families* initiative, in Logan, Gold Coast and Beenleigh/Eagleby
- $7.2 million for intensive family support services, in-home care and brokerage, and $2.5 million for domestic and family violence prevention services as part of the *Helping out Families* initiative noted above
- $2 million towards upgraded lighting to allow premiership season AFL matches to be played at Cazaly's Stadium, Cairns in 2012 and 2013
- $2.5 million to support the Townsville 400 motor racing event and $6.5 million to support the staging of the Gold Coast 600.

The non-government sector delivers valuable services to a diverse range of people in the community on behalf of the Government. In 2011-12, the department will provide indexation on a range of existing ongoing operational grants to funded organisations at a rate of 3.75%, in recognition of the increased cost of service delivery.

The department will also provide leadership for the changed funding and governance arrangements for Home and Community Care and related programs as part of the National Health Reforms agreed by the Council of Australian Governments. Under the reforms, from 1 July 2011, the Queensland Government will have funding responsibility for specialist disability, community care and aged care services to non-Indigenous people aged under 65 years and Indigenous people aged under 50 years. The Australian Government will be responsible for funding these services for non-Indigenous people aged 65 years and over and Indigenous people aged 50 years and over. The reforms will ensure the continued delivery of existing services within a more integrated and coordinated system.

Additional funding of $1.6 million has been set aside to assist with the continuation of the Cape York Welfare Reform trial (including the Family Responsibilities Commission) in 2012-13 in the Aurukun, Coen, Hope Vale and Mossman Gorge communities. This allocation is subject to the outcomes of community consultation and a final decision about extending the trial.

RECENT ACHIEVEMENTS

Aboriginal and Torres Strait Islander Services

In 2010-11 the department:

- continued to implement Cape York Welfare Reforms (a $40 million commitment over four years), focusing on initiatives to improve parental and social responsibility
- improved housing and development opportunities for Indigenous communities by:
  - negotiating Deeds of Agreement to Lease in 12 of the 14 communities involved in the National Partnership Agreement on Remote Indigenous Housing and an Indigenous Land Use Agreement in Woorabinda for social housing and home ownership leasing, and commencing negotiations in the remaining eight communities that require resolution of Native Title;

  - commencing planning schemes preparation and a Road Network survey for 15 communities and a lease survey for 588 lots across 11 communities to facilitate 40 year social housing leases; and
  - executing 365 40 year social housing leases in seven communities with 1,045 lots under Deed of Agreement for Lease.
- published the first *Annual Highlights Report for Queensland's Discrete Indigenous Communities July 2009 – June 2010* providing detailed trend analysis on key indicators
- enhanced partnerships with Aboriginal and Torres Strait Islander peoples through the Queensland Aboriginal and Torres Strait Islander Advisory Council, Ministerial Indigenous Roundtables, and the annual Torres Strait Islander Forum
- commenced the development, in partnership with other agencies, of the whole-of-Government *Queensland Aboriginal and Torres Strait Islander Justice Strategy 2011-2014* to improve safety in Indigenous urban, regional and remote communities
- implemented a trustee lease over the 1,610 hectare Mona Mona Reserve in favour of the traditional and historical owners
- coordinated the whole-of-Government Alcohol Management Reform Program to deliver services that improve safety in Indigenous communities including drug and alcohol rehabilitation, diversionary services such as women's and men's groups, and sport and recreation activities
- provided $5.7 million in alcohol reform services in communities impacted by alcohol management reforms.

Child Safety Services

In 2010-11 the department:

- allocated $55 million over four years to pilot a new early intervention and prevention initiative, *Helping out Families*, in Logan, Gold Coast and Beenleigh/Eagleby including $2.5 million to fund a health home visiting service and $0.9 million to establish a Family Support Alliance and streamline referrals for vulnerable families
- recruited additional front line staff to meet demand and community expectations in areas of high need from increased recurrent funding of $3 million
- redirected existing funding of $8.5 million (which increased to $9.4 million each year) to implement 11 new Aboriginal and Torres Strait Islander family support services across the State
- continued the delivery of Safe Houses in discrete Indigenous communities to help Aboriginal and Torres Strait Islander children remain connected to their kin and culture.

Community and Youth Justice Services

In 2010-11 the department:

- allocated, as part of the *Helping out Families* pilot (noted previously), $4.8 million for intensive family support services, in-home care and brokerage, and $1.6 million for domestic and family violence prevention services
- allocated $3 million to build the Moranbah Youth Centre and $2.6 million to replace the Chinchilla Community Centre
- finalised a review of the *Domestic and Family Violence Protection Act 1989*
- expended $69 million to continue the expansion of the Cleveland Youth Detention Centre in Townsville to a 96-bed facility, with completion scheduled for 2012-13
- led the implementation of the *Toward Q2: Tomorrow's Queensland* target to increase by 50% the proportion of Queenslanders involved in their communities as volunteers

- led community recovery activities by establishing community recovery centres, deploying more than 3,000 staff and providing grants to individuals, families and communities in response to disaster events including: Queensland flooding and Tropical Cyclones Tasha, Anthony and Yasi; and Queensland monsoonal flooding.

Disability and Community Care Services

In 2010-11 the department:

- provided $1.031 billion for people with a disability for accommodation support, respite and community services including:
  - $6.3 million in Disability Assistance Package capital funding (from a total of $18.3 million from the Australian Government) to provide new supported accommodation for people with a disability, over half of whom have older carers
  - positive behaviour support reforms worth $32.5 million in recurrent funding and $11.5 million in capital (including $3.3 million to construct accommodation for the Forensic Disability Service) to improve outcomes for people with challenging behaviours, as part of the six year Positive Future initiative
  - progression of Growing Stronger reforms to deliver a fairer, more sustainable specialist disability service system
  - establishment of the new Office of the Chief Practitioner Disability to provide clinical advice and leadership, and exercise statutory responsibilities under Forensic disability legislation
  - $32.7 million for services for people with a psychiatric disability
- provided $518 million for the Home and Community Care Program to support frail, older people, and younger people with disability to live independently through personal in-home services, home modifications, and transport services
- provided $31.8 million to deliver non-clinical mental health community support services for individuals with mental illness, and their families and carers.

Multicultural Services

In 2010-11 the department:

- continued consultations on a new Multicultural Queensland Policy and whole-of-Government action plan
- promoted positive community relations and supported our cultural diversity through grants for 127 projects and events, the Local Area Multicultural Partnerships and Community Action for a Multicultural Society programs
- fostered positive community relations through the delivery of signature events including the Queensland Multicultural Awards, the Premier's Multicultural Photographic Awards and Queensland Multicultural Festival, anti-racism initiatives, the On the Same Wave program and a range of activities to support migrant communities and international students.

Housing and Homelessness Services

In 2010-11 the department:

- provided $39.5 million under the Homelessness National Partnership Agreement (including $31.5 million provided by the Australian Government) to assist people who are homeless or at risk of homelessness
- provided $98.2 million for Indigenous housing programs (including funds from the Remote Indigenous Housing National Partnership Agreement) to construct 115 dwellings, upgrade 644 and maintain approximately 4,100 dwellings, to improve the standard and supply of housing in Indigenous communities

- provided $998.4 million (including funds from the Nation Building and Jobs Plan and Social Housing National Partnership Agreement) for Government-managed and community-managed social housing to deliver 3,238 new dwellings, commence construction of 1,151 dwellings, purchase and develop land and enhance and maintain the condition of existing social housing
- expended $70.7 million to support low to moderate income earners to live in the private market through products such as RentConnect services, bond loans, rental grants, home loan assistance, tenancy advice services, Home Assist Secure, and the National Rental Affordability Scheme.

Sport and Recreation Services

In 2010-11 the department:

- provided $2 million for the construction of a training facility at the Sleeman Sports Complex (as part of a $17.3 million project to which the department is contributing $8 million) for aerial skiing and associated sports, with the Australian Government providing a further $2 million towards the facility
- delivered $32.2 million as part of the new suite of funding programs to support increased participation in sport and recreation, including: $8.5 million for the Sport and Recreation Active Inclusion Program; $2.2 million for the Local Sport and Recreation Jobs Plan; $12.5 million for the Sport and Recreation Infrastructure Program; and $9 million for the State Sport and Recreation Organisation Development Program
- provided $37.3 million to support key sporting infrastructure including projects such as the Gold Coast Carrara Stadium redevelopment and the Regional Tennis Facilities program
- re-prioritised $13.5 million to establish the Sport and Recreation Flood Fightback Plan for organisations directly affected by flooding to re-establish and deliver essential sport and recreation services within the community
- supported Queensland Academy of Sports' elite athletes prepare for, and compete in 2010 Delhi Commonwealth Games, claiming 40 medals (23% of Australia's medal tally)
- continued delivery of Off-road Motorcycling Facility on State-owned land at Wyaralong.

Women's Services

In 2010-11, through the Advancing Queensland Women Strategy, the department:

- supported women though programs such as Indigenous Women's Mentoring and Leadership Workshops, Women in Hard Hats and Women on Boards to achieve economic and financial security, with a focus on increasing employment opportunities and keeping women, particularly disadvantaged and Indigenous women, in the workforce
- promoted opportunities for women's leadership and participation in the community.

DEPARTMENTAL SERVICES

The department's key objectives underpin our practices in the provision of the following service areas:

- Aboriginal and Torres Strait Islander Services, including leading reforms to reduce the gap in life outcomes for Indigenous Queenslanders, working with Aboriginal and Torres Strait Islander Queenslanders to affirm their cultures and assisting all Queenslanders to benefit from reconciliation
- Child Safety Services, including leading the provision of services to ensure the safety of children and young people who have been harmed or who are at risk of harm, enhancing the wellbeing of children in its care and administering adoption legislation in Queensland

- Community and Youth Justice Services, including leading integrated service delivery to support vulnerable individuals, families and communities, providing effective youth justice services and encouraging seniors to participate in their community
- Disability and Community Care Services, including coordinating disability policy across Government, providing and leading services to support people with a disability, people with a mental illness and people who are ageing, and their carers and families, and promoting their participation in the community
- Multicultural Services, including providing advice on multicultural issues, coordinating multicultural policy across Government, and supporting community events and initiatives to promote our cultural diversity and positive community relations
- Housing and Homelessness Services, including providing integrated social housing and support services to families and individuals, especially those who are homeless or at risk of homelessness
- Sport and Recreation Services, focusing on providing services to encourage Queenslanders to lead active and healthy lifestyles. These services encourage participation in community sport and recreation activities, through to achievement at elite levels
- Women's Services, including strategy and policy coordination and advice to Government on issues affecting women, with a view to improving the economic security and health and wellbeing of women in Queensland.

STAFFING[1]

Service areas	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
Services				
Aboriginal and Torres Strait Islander Services	2	268	332	332
Child Safety Services		2,584	2,585	2,605
Community and Youth Justice Services		1,862	1,822	1,895
Disability and Community Care Services		3,382	3,418	3,500
Housing and Homelessness Services		1,355	1,402	1,453
Multicultural Services		30	33	33
Sport and Recreation Services		319	338	338
Women's Services		29	27	27
Total	3	**9,829**	**9,957**	**10,183**

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. The 2010-11 Estimated actual is higher than the 2010-11 Budget mainly due to the inclusion of FTE's for Retail Stores.
3. Corporate FTE's are allocated across the services to which they relate.

2011-12 SERVICE SUMMARY[1]

Service areas	Total cost $'000	Sources of revenue			
		State Contribution $'000	User charges $'000	C'wealth revenue $'000	Other revenue $'000
Aboriginal and Torres Strait Islander Services	80,337	51,296	29,160	120	198
Child Safety Services	733,057	731,495	1,062	500	..
Community and Youth Justice Services	447,626	418,027	798	794	28,146
Disability and Community Care Services	1,775,192	1,120,082	424	640,700	7,026
Housing and Homelessness Services	1,237,337	267,549	336,367	508,979	50,537
Multicultural Services	8,032	8,032	0	0	0
Sport and Recreation Services	155,169	147,358	6,811	0	1,000
Women's Services	4,860	4,860	0	0	0
Total	**4,441,610**	**2,748,699**	**374,622**	**1,151,093**	**86,907**

Note:
1. Explanations of variances are provided in the financial statements.

ADMINISTERED ITEMS

Administered activities are those undertaken by the department on behalf of the Government.

DESCRIPTION

The department administers funds on behalf of the State which includes Stadiums Queensland to support the maintenance and operation of its nine international standard sporting and entertainment facilities.

The department also administers funding on behalf of the Government to reimburse providers for concessions to eligible pensioners and seniors for rates, electricity, water, reticulated natural gas and rail and also disburses electricity life support concessions to eligible persons.

From 2011-12 the South East Queensland Water Subsidy will increase from $100 to $120 per annum to eligible pensioners living on the South East Queensland Water grid. The maximum subsidy available for pensioners on council rates bills will also increase from $180 to $200 per annum from 2011-12.

In addition, the department administers payments for natural disasters on behalf of the State and Australian Governments, for example, Emergency Assistance Grants, Essential Household Contents Grants, Structural Assistance Grants and Essential Services Safety and Reconnection Scheme.

Financial statements and variance explanations in relation to Administered items appear in the Departmental Financial Statements.

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Aboriginal and Torres Strait Islander Services - Service standards				
Level of key stakeholders satisfaction with the advice, information and support provided by ATSIS	1	75%	75.1%	75%
Proportion of communities with:				
• Completed road network survey plan	2,3,4	25% commenced	50% commenced	75% completed
• Indigenous Land Use Agreements, to facilitate the remote Indigenous housing program	5	25% commenced	100% commenced	50% completed
• Statutory Planning Policy compliant planning schemes finalised	6	25% commenced	90% commenced	50% completed
Other measures				
Average time taken to finalise a priority Community and Personal History request		New measure	New measure	6 months
No of Ministerial Indigenous Roundtables, Queensland Aboriginal and Torres Strait Islander Advisory Council meetings and official visits to discrete communities, led by ATSIS, with key stakeholders to develop strategic policy positions, to progress initiatives, and to improve service delivery	7	21	24	21
State contribution ($000)	8, 9, 10	69,437	43,449	51,296
Other revenue ($000)		28,823	28,107	29,478
Total cost ($000)	11,12,13	97,685	70,653	80,337
Service Area: Child Safety Services - Service standards				
Services for children and young people at risk				
Rate of substantiated harm per 1,000 children (0-17 years of age)		5.8	5.5	5.1
Services for young people in care				
Rate of children subject to protective orders per 1,000 children (0-17 years of age):	14			
• Aboriginal and Torres Strait Islander children	15	New measure	43.1	44.0
• Other children		New measure	5.1	5.1
• All children		7.5	7.6	7.6
Proportion of children on a care and protection order exiting care after 12 months or more who had 1 or 2 placements	16	New measure	48%	48%

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Other measures				
Services for children and young people at risk				
Number of intakes:				
• Child concern reports	17	New measure	92,000	102,300
• Notifications	18	23,400	20,800	19,800
• Total intakes	17	101,800	112,800	122,100
Number of substantiations:				
• Child in need of protection	19	New measure	4,200	4,100
• Child not in need of protection		New measure	2,500	2,400
• Total substantiations		7,000	6,700	6,500
Services for young people in care				
Number of children subject to ongoing intervention:				
• Number of children subject to child protection orders	20	8,600	8,300	8,500
• Number of children subject to intervention with parental agreement		3,310	2,900	3,000
• Total number of children subject to ongoing intervention		11,910	11,200	11,500
Adoption services				
Length of time to provide adoption information from application received to information provided	21	New measure	13 weeks	12 weeks
State contribution ($000)	22	694,370	705,135	731,495
Other revenue ($000)		1,524	2,172	1,562
Total cost ($000)	22	695,894	707,307	733,057

Service Area: Community and Youth Justice Services - Service standards

Support for young people				
Percentage of orders supervised in the community that are successfully completed:	23			
• Aboriginal and Torres Strait Islander young people		New measure	68%	68%
• Other young people		New measure	78%	78%
• All young people		New measure	73%	73%
Percentage of completed referrals to the conditional bail program that are successful:	24			
• Aboriginal and Torres Strait Islander young people		60%	60%	60%
• Other young people		New measure	70%	70%
• All young people		65%	65%	65%

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Percentage of youth justice conferencing participants (including the victim) that are satisfied with the outcome		95%	99%	98%
Rate per 1,000 young people (aged 10-16 years) in detention:				
• Aboriginal and Torres Strait Islander young people	25	3.5	3.4	3.6
• Other young people		New measure	0.15	0.15
• All young people		0.35	0.36	0.36
Proportion of Queenslanders involved in their communities as volunteers	26	44%		45.4%
Other measures				
Support for young people				
Number of referrals for young people dealt with through youth justice conferencing				
• Aboriginal and Torres Strait Islander young people		600	625	600
• Other young people		New measure	1,688	1,800
• All young people		2,400	2,313	2,400
Average daily number of young people in detention:				
• Aboriginal and Torres Strait Islander young people	25	92	90	95
• Other young people		New measure	60	60
• All young people		150	150	155
Support for seniors' participation				
Percentage of eligible persons (60 years of age and over) who are current holders of a Seniors Card or a Seniors Business Discount Card		78%	75%	76%
State contribution ($000)	27	386,642	372,482	418,027
Other revenue ($000)	28	16,405	14,002	29,738
Total cost ($000)	27,28	403,048	386,347	447,626
Service Area: Disability and Community Care Services - Service standards				
Disability services				
Satisfaction of service users with:	29			
• Accommodation support services		80 – 85%	80%	80-85%
• Community support services		75 – 80%	66%	75-80%
• Community access services		80 – 85%	76%	80-85%
• Respite services		80 – 85%	81%	80-85%
Government expenditure, per person, receiving disability services:				
• Accommodation support services		$68,680 – $83,940	$74,030	$74,000 – $79,000
• Community support services	30	$9,480 – $10,170	$6,830	$7,000 – $10,000

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
• Community access services		$18,650 – $20,000	$17,270	$17,000 – $20,000
• Respite services		$14,980 – $15,750	$13,210	$13,000 – $16,000
Other measures				
Disability services				
Number of unique service users of funded:	31			
• Accommodation support services	32	6,730 – 7,070	6,590	6,730 – 7,770
• Community support services		15,600 – 16,280	15,550	15,600 – 16,280
• Community access services	33	9,500 – 9,750	8,025	8,800 – 9,750
• Respite services		5,500 – 5,660	5,500	5,500 – 5,660
Number of services received for:				
• Accommodation support services	34	7,650 – 8,050	7,500	7,650 – 8,250
• Community support services		27,150 – 28,650	27,100	27,150 – 29,150
• Community access services	35	11,460 – 11,790	9,624	10,295 – 10,625
• Respite services		7,900 – 8,190	7,850	7,900 – 8,190
Community and home care				
Service category 1 – Home Support Services – number of hours		5,614,699	5,498,500	5,500,400
Service category 2 – Coordinated Care services – number of hours		398,675	423,600	429,600
Service category 3 – Clinical and Specialist Care – number of hours		1,277,102	1,264,700	1,287,600
Service category 4 – Centre-based day care – number of hours		4,077,903	3,994,600	4,085,300
Service category 5 – Home modifications	36	$9,742,033	$11,426,800	$10,250,200
Service category 6 – Meals – number of meals		2,394,798	2,374,500	2,368,400
Service category 7 – Transport – number of trips	37	1,057,190	1,207,900	1,254,700
Community mental health				
Number of support hours provided by Transitional Recovery Programs	38	162,890	150,500	165,000
Number of places provided by Transitional Recovery Programs		531	515	530
Number of places provided by Housing and Support Programs	39	215	240	240

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Number of hours of support through Community Mental Health Early Intervention Programs	40	71,804	59,150	72,500
Number of unique service users with psychiatric disability		New measure	New measure	2,300 – 2,500
State contribution ($000)	41,42	1,042,871	1,014,536	1,120,082
Other revenue ($000)	43,44	545,620	549,925	648,150
Total cost ($000)	45,46	1,611,528	1,580,537	1,775,192
Service Area: Multicultural Affairs Queensland - Service standards				
Expenditure by the Department of Communities on translator and interpreter service		New measure	New Measure	$1.8 to 2.0 million
Other measures				
Number of grants provided through the annual grants round	47	95	127	120
State contribution ($000)	48	9,299	8,179	8,032
Other revenue ($000)		36	52	0
Total cost ($000)	48	9,335	8,232	8,032
Service Area: Housing and Homelessness Services - Service standards				
Housing				
Level of client satisfaction:				
• Bond Loans	49	95%	95%	
• Home Assist Secure	50			95%
• Tenant Advice and Advocacy Service	50			90%
• Home Purchase Assistance	50			90%
• Social Rental Housing	49	75%	84%	
Percentage of new households assisted in Government-managed social housing who were in very high or high need		95%	95%	95%
Percentage of new households assisted in Government-managed social housing who were Indigenous		New measure	New measure	21%
Average wait time to allocation for assistance (months) with Government-managed social housing for clients in very high or high need	51	11	11	11
Average tenancy and property management administration cost per households assisted		$1,185	$1,194	$1,187
Homelessness				
In specialist homelessness services, the percentage of closed support periods where all of the client's case management goals were achieved.	52	38%	34%	38%

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
In specialist homelessness services, the percentage of closed support periods where clients exit to independent accommodation	52	80%	75%	80%
Other measures				
Housing				
Total number of households assisted in social housing	53	69,040	69,069	70,955
Number of applications on the Housing Register eligible for long-term social housing	54	30,000	30,105	33,800
Percentage of Indigenous applications on the Housing Register eligible for Long Term Social Housing		15%	15%	15%
Total number of households assisted in private market assistance	55	184,838	195,796	204,027
Percentage of departmentally owned social rental housing dwellings in acceptable condition		98%	97%	97%
Percentage of home loan offers proceeding to approval		25%	25%	25%
Homelessness				
Total number of clients supported	52	21,700	20,800	21,700
Total number of households assisted with crisis housing		8,900	8,902	8,905
Percentage of departmentally owned Crisis Accommodation Program dwellings in acceptable condition	56	83%	98%	98%
State contribution ($000)	57,58	263,059	203,687	267,549
Other revenue ($000)	59,60	903,983	780,963	895,883
Total cost ($000)	61,62	1,203,980	1,011,423	1,237,337
Service Area: Sport and Recreation Services - Service standards				
Percentage of athletes selected for national teams from the Queensland Academy of Sport		25%	29%	25%
Average service cost of coaching provided to each Queensland Academy of Sport athlete	63	New measure	$12,162	$12,162
Participant satisfaction with the department's sport and active recreation programs		90%	94%	90%

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Other measures				
Total investment in sport and active recreation in Queensland for:				
• Infrastructure	64	$65.8 million	$80.1 million	$65.8 million
• Participation and development programs	65	$43.8 million	$36.8 million	$44.8 million
Number of volunteers accessing education and training opportunities	66	4,800	3,876	4,800
State contribution ($000)	67,68	151,486	138,939	147,358
Other revenue ($000)	69,70	7,643	22,564	7,811
Total cost ($000)		159,129	161,504	155,169
Service Area: Women's Services - Service standards				
Client satisfaction with the effectiveness of Office for Women events, seminars and forums	71	85%	100%	95%
Cross-government satisfaction with the Office for Women's analysis and input to support and enhance policy and service delivery for women		85%	85%	85%
Percentage of Office for Women initiatives delivered that create opportunities for women's leadership and economic security	72	New measure	85%	85%
State contribution ($000)		5,040	5,020	4,860
Other revenue ($000)		..	..	..
Total cost ($000)		5,040	5,020	4,860

Notes:
1. The wording of this measure has been amended from *The level of key stakeholder satisfaction with the department's support for engagement processes* to *The level of key stakeholders satisfaction with the advice, information and support provided by Aboriginal and Torres Strait Islanders Services*.
2. By 2012-13 all 16 discrete communities will have finalised Statutory Planning Policy compliant schemes, and where required, township Indigenous Land Use Agreements (ILUA) and completed road network survey plans.
3. The 2010-11 Target/estimate represents a conservative estimate for the initial year of operations for the three service standards relating to the Remote Indigenous Land and Infrastructure Program Office. Better than expected results have been due to rigorous program management and a commitment by all stakeholders to secure social housing and economic development opportunities for the discrete Indigenous communities.
4. Road network survey plans are required for 16 communities. The 2010-11 Estimated actual is based on percentage of work commenced on all road network plans.
5. Nine communities will require ILUA or some form of land use agreement. The 2010-11 Estimated actual is based on the commencement of negotiations for all nine communities. Negotiations are progressing at different stages across all communities. An ILUA has been finalised for Woorabinda. 2011-12 Target/estimate is for 50% of required ILUAs to be finalised. The wording of the measure has been amended from *By 2012-13, all discrete Indigenous communities will have finalised Statutory Planning Policy complaint planning schemes and, where required, township Indigenous Land Use Agreements, with surveying work commencing 2010-11* to *Proportion of communities with a completed road network survey plan, Indigenous Land Use Agreements, to facilitate the remote Indigenous housing program, and Statutory Planning Policy compliant planning schemes finalised*.
6. The 2010-11 Estimated actual is based on Statutory Planning Schemes commenced, not indicative of completed work. The 2011-2 Target/estimate is for 50 per cent of Planning Schemes to be finalised.
7. The 2010-11 Estimated actual comprises two Ministerial Indigenous Roundtables, one Torres Strait Forum, four QATSIAC meetings, and 17 significant engagement activities such as negotiation tables.
8. Decrease from 2010-11 Target/estimate to 2010-11 Estimated actual reflects programs transferred to other services within the department together with deferral of funding for grant programs and a lower allocation of corporate costs.
9. Decrease from 2010-11 Target/estimate to 2011-12 Target/estimate reflects programs transferred to other services within the department together with a lower allocation of corporate costs, partially offset by the deferral of funding for grant programs from 2010-11.
10. Increase from 2010-11 Estimated actual to 2011-12 Target/estimate primarily relates to deferral of funding for grant expenditure from 2010-11.
11. Decrease from 2010-11 Target/estimate to 2010-11 Estimated actual reflects transfer of programs to other services within the department together with deferral of grant programs and a lower allocation of corporate costs.

12. Decrease from 2010-11 Target/estimate to 2011-12 Target/estimate reflects programs transferred to other services within the department together with a lower allocation of corporate costs, partially offset by the deferral of funding for grant programs from 2010-11.
13. Increase from 2010-11 Estimated actual to 2011-12 Target/estimate primarily relates to deferral of grant expenditure from 2010-11.
14. This service standard presents a new breakdown of the rate of children subject to protective orders, providing better context than the discontinued measures *Admissions to protective orders* and *Percentage of all children subject to protective orders who are Aboriginal or Torres Strait Islander children*. Expressing the outcome as a rate per 1,000 children allows for meaningful comparison over time by excluding effects of population change.
15. The number of Aboriginal and Torres Strait Islander children subject to protective orders is expected to increase in 2011-12, in line with recent trends. This increase is projected to outweigh the projected increase in the population of Aboriginal and Torres Strait Islander 0-17 year olds over the same period.
16. This new service standard is a partial indicator of the effectiveness of placement stability initiatives.
17. The higher than expected number of intakes in 2010-11 is due to higher than anticipated growth in the number of child concern reports recorded in previous years. Factors contributing to this growth are likely to include increased public awareness about child protection issues, and greater public willingness to report child protection issues.
18. The lower than expected number of notifications requiring investigation in 2010-11 is likely due to the continued use of Structured Decision Making tools, which provide consistency in assessment and assist the department to target resources to those children and young people most at risk.
19. The breakdown of the number of substantiations into *Child in need of protection* and *Child not in need of protection* now distinguishes those children that require ongoing departmental intervention.
20. The 2010-11 Target/estimate was calculated on historically high growth rates, which have now slowed.
21. The length of time taken to provide adoption information, from application received to information provided, relates to a number of factors including the nature and complexity of the applications, and the time required to research historical records.
22. Increase from 2010-11 Estimated actual to 2011-12 Target/estimate primarily relates to additional funding for the Helping out Families initiative, additional funding for non government organisation sector wage increases and operational costs, and employee enterprise bargaining supplementation.
23. This new service standard presents a more comprehensive measure than the previous measure Percentage of Community Service Orders for young people that are successfully completed, as it covers the successful completion of all orders supervised in the community including Probation, Intensive Supervision, Conditional Release and Community Service Orders.
24. The title of this service standard has been revised to convey a clearer description of the measure.
25. The average daily number and rate per 1,000 young people of Aboriginal and Torres Strait Islander young people in detention is expected to increase in 2011-12, in line with recent trends. This increase is projected to outweigh the projected increase in the population of Aboriginal and Torres Strait Islander 10-16 year olds over the same period.
26. The Department of Communities is the lead department for the *Toward Q2: Tomorrow's Queensland Fair – Volunteering* target. For further information on this Toward Q2: Tomorrow's Queensland target measure and its contributing departments, please refer to the Target Delivery Plan found on the www.TowardQ2.qld.gov.au website. The 2010-11 Estimated actual data is based on ABS data which is not currently available. The data will be available in September 2011. The 2011-12 Target/estimate proportion of population volunteering is an extrapolation based on a straight-line estimate of trend over the previous five years. The straight line estimate assumes that the trend is 'average' behaviour. That is, it represents the path between short-term annual results which may be above or below this mean path as volunteering behaviour in population changes in response to events.
27. Increase from 2010-11 Estimated actual to 2011-12 Target/estimate is mainly due to additional funding for Cleveland Youth Detention Centre, Helping out Families initiative, increased funding for non government organisation sector wage and cost increases and indexation of current grant and subsidy commitments to the non-government sector and the impact of deferrals.
28. Increase from 2010-11 Estimated actual to 2011-12 Target/estimate is mainly due to additional funding relating to natural disasters in 2010-11.
29. Satisfaction results reflect 2009 data as information is collected on a three-year cycle. The 2009 satisfaction survey results reflected respondents general satisfaction with services. Compared to 2006 survey results, a greater proportion of service users and proxies satisfaction rating was 'in-between'; that is, a greater number of respondents were neither satisfied nor dissatisfied with the level of service provided.
30. Decrease of expenditure per user for community support services from 2010-11 Target/estimate to 2010-11 Estimated actual and 2011-12 Target/estimate reflects reduced output costs and a changed mix of services within the category of community support.
31. As a result of changes in responsibilities for aged care and specialist disability services under the National Health Reforms, from 1 July 2011, approximately 1,500 people aged under 65 and Indigenous people aged under 50 with a disability in receipt of aged care services (residential aged care and packaged aged care) previously funded by the Australian Government, will be funded through Disability and Community Care Services. Approximately 700 people with a disability aged over 65 (and Indigenous people aged over 50) in receipt of specialist disability services previously funded by the Queensland Government will, from 1 July 2011, be funded through the Australian Government aged care system.
32. The reduction in the number of unique users of accommodation support services from the 2010-11 Target/estimate to the 2010-11 Estimated actual reflects demand for high intensity funded care for people with complex and challenging needs and delays in capital projects due to severe weather and other factors.
33. The reduction in community access number of unique users from 2010-11 Target/estimate to 2010-11 Estimated actual and 2011-12 Target/estimate reflects the impacts of natural disasters and their aftermath on users' ability to safely and confidently access their local communities.
34. The reduction in the number of accommodation support services from 2010-11 Target/estimate to 2010-11 Estimated actual and 2011-12 Target/estimate reflects demand for high intensity funded care for people with complex and challenging needs and delays in capital projects due to severe weather and other factors.
35. The reduction in community access number of services from 2010-11 Target/estimate to 2010-11 Estimated actual and 2011-12 Target/estimate received reflects the impacts of natural disasters and their aftermath on users' ability to safely and confidently access their local communities.

36. Increase from 2010-11 Target/estimate to 2010-11 Estimated actual is mainly due to the allocation of additional one-off funding during 2010-11 from HACC program growth funds for home modifications services to meet greater demand for this service type.
37. Increase from 2010-11 Target/estimate to 2010-11 Estimated actual is mainly due to the allocation of increased funding for transport services during 2010-11 to meet greater demand in this service type.
38. Lower than anticipated Transitional Recovery Programs' hours from 2010-11 Target/estimate to 2010-11 Estimated actual are primarily due to a delay in sourcing appropriate accommodation to support service provision.
39. Increased number of places from 2010-11 Target/estimate to 2010-11 Estimated actual and 2011-12 Target/estimate is as a result of increased funding.
40. Decrease in Community Mental Health Early Intervention Programs hours provided from 2010-11 Target/estimate to 2010-11 Estimated actual and 2011-12 Target/estimate is due to a delay in sourcing appropriate accommodation to support service provision.
41. Increase from 2010-11 Target/estimate to 2011-12 Target/estimate relates mainly to growth funding, additional funding for sector wage and cost increases and enterprise bargaining, new funding for disability programs, and additional funding for the changes in responsibilities for Home and Community Care and related programs under the National Health Reforms.
42. Increase from 2010-11 Estimated actual to 2011-12 Target/estimate relates mainly to growth funding, additional funding for sector wage and cost increases and enterprise bargaining, new funding for disability programs along with deferrals of grant expenditure from 2010-11, and additional funding for the transition of Home and Community Care and related programs under the National Health Reforms.
43. Increase from 2010-11 Estimated actual to 2011-12 Target/estimate mainly relates to additional funding provided by the Australian Government in 2011-12 for the delivery of Home and Community Care services by the Queensland Government to non-Indigenous people aged 65 and over and Indigenous people aged 50 years and over.
44. Increase from 2010-11 Estimated actual to 2011-12 Target/estimate mainly relates to additional funding provided by the Australian Government in 2011-12 for the delivery of Home and Community Care and related programs by the Queensland Government to non-Indigenous people aged 65 and over and Indigenous people aged 50 years and over, along with deferrals of grant expenditure from 2010-11.
45. Increase from 2010-11 Target/estimate to 2011-12 Target/estimate mainly relates to additional funding related to the changes in responsibilities for Home and Community Care and related programs under the National Health Reforms, new funding for disability programs, growth funding and additional funding for sector wage and cost increases.
46. Increase from 2010-11 Estimated actual to 2011-12 Target/estimate mainly relates to additional funding related to the changes in responsibilities for Home and Community Care and related programs under the National Health Reforms, new funding for disability programs, growth funding and additional funding for sector wage and cost increases along with deferrals of grant expenditure from 2010-11.
47. Increase from 2010-11 Target/estimate to 2010-11 Estimated actual and 2011-12 Target/estimate is a result of increased funding.
48. Decrease from 2010-11 Target/estimate and 2010-11 Estimated actual to 2011-12 Target/estimate primarily relates to the net effect of deferrals, and lower allocation of corporate costs, offset by funds transferred from other services.
49. This is measured every two years, with the next satisfaction survey due in 2012-13.
50. This is measured every three years by satisfaction surveys for Home Assist Secure, Tenant Advice and Advocacy Service and Home Purchase Assistance, with the next survey due in 2011-12.
51. This service standard has been amended to include the words 'for clients in very high or high need' to bring the measure in line with the policy intent of the Client Intake and Assessment Process in which those in most need are assisted with the higher cost assistance of government-managed housing.
52. The 2010-11 Estimated actual data is sourced from the Supported Accommodation Assistance Program National Data Collection for 2008-09. Data for the 2009-10 financial year is anticipated to be available in June 2011. Actual data will be reported in the department's annual report.
53. The wording of the measure has been amended to read 'social housing' rather than 'social rental housing'. The count for this measure continues to exclude crisis accommodation. Of the 69,069 total number of households assisted in social housing during 2010-11, 8,348 were new households and 4,234 households were assisted in discrete Indigenous communities.
54. Approximately 42% of applications on the Housing Register relate to people with low to moderate need.
55. Of the 195,796 total number of households assisted in the private rental market during 2010-11, 164,437 were new households.
56. Secure sites were included in the calculation for the 2010-11 Target/estimate. These are now excluded in the 2010-11 Estimated actual and 2011-12 Target/estimate on the basis that maintenance at secure sites has a separate property maintenance process.
57. Decrease from 2010-11 Target/estimate to 2010-11 Estimated actual is due mainly to delays in some Indigenous community capital grants programs with allocations being deferred to 2011-12 and 2012-13.
58. Increase from 2010-11 Target/estimate to 2011-12 Target/estimate is mainly due to the deferral of service revenue from 2010-11 to 2011-12.
59. Decrease from 2010-11 Target/estimate to 2010-11 Estimated actual is primarily due to lower level of expenditure under the Nation Building and Jobs Plan and Remote Indigenous Housing National Partnership Agreement.
60. Increase from 2010-11 Target/estimate to 2011-12 Target/estimate is mainly due to expected increased expenditure under the Remote Indigenous Housing program, Nation Building and Jobs Plan and Homelessness National Partnership Agreement.
61. Decrease from 2010-11 Target/estimate to 2010-11 Estimated actual is mainly due to delays in some Indigenous community capital grants programs with funds being deferred to 2011-12 and 2012-13.
62. Increase from 2010-11 Target/estimate to 2011-12 Target/estimate reflects higher grant allocations for remote Indigenous housing programs, Nation Building and Jobs Plan and Homelessness National Partnership Agreement, higher level of maintenance and rates together with allocations deferred from 2010-11.
63. New measure to articulate appropriate performance information in relation to the effectiveness of coaching Queensland Academy of Sport's elite athletes, in line with the Queensland Governments Performance Management Framework.
64. The variation between the 2010-11 Estimated actual and the 2011-12 Target/estimate is mainly due to an increase in Sport and Recreation Flood Fightback Plan, Sport and Recreation Infrastructure Program Round Two, capital works and Northern Outlook. The variation between the 2010-11 Target/estimate and 2010-11 Estimated actual is mainly due to an increase in Sport and Recreation Infrastructure program Round One, Sleeman Aquatic Centre, Sustainable Resource Communities initiatives and Northern Outlook.

65. The 2010-11 Estimated actual is less than the 2010-11 Target/estimate for the *participation and development programs*, primarily due to lower than anticipated expenditure for the Local Sport and Recreation Jobs Plan and the redirection of funding program budgets to support the Sport and Recreation Flood Fightback Plan. The increase in the 2011-12 Target/estimate from the 2010-11 Estimated actual is due to an increased budget allocation for the re-release of the Local Sport and Recreation Jobs Plan from savings under the Sport and Recreation Flood Fightback Plan.
66. In response to the impacts of severe weather events experienced early 2011, Sport and Recreation Services postponed certain education and training programmed activities, along with reprioritising funds under the Sport and Recreation Flood Fightback Plan, to assist organisations directly affected by flooding to re-establish sport and recreation services to support local participation.
67. Decrease from 2010-11 Target/estimate to 2010-11 Estimated actual primarily reflects reclassification of funding from State Contribution to Other Revenue for the payments made to sporting bodies for disaster recovery purposes.
68. Increase from 2010-11 Estimated actual to 2011-12 Target/estimate is mainly due to reclassification of funding in 2010-11 which is not applicable in 2011-12.
69. Increase from 2010-11 Target/estimate to in 2010-11 Estimated actual primarily reflects reclassification of funding from State Contribution to Other Revenue for the payments made to sporting bodies for disaster recovery purposes.
70. Decrease from 2010-11 Estimated actual to 2011-12 Target/estimate is mainly due to reclassification of funding in 2010-11 which is not applicable in 2011-12.
71. Out of 15 forums/events/seminars conducted over the period, 53% of participants completed survey forms. Of these responses, all indicated that they were either satisfied or very satisfied.
72. All Office for Women projects deliver pathways for women's employment, increase access to information, education and training, improve conditions for women and support and promote women's participation in non-traditional employment, leadership opportunities and community life.

INCOME STATEMENT

Department of Communities	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue	1,14	3,703,408	3,438,310	3,898,878
User charges		368,818	350,713	374,682
Grants and other contributions	2,9,15	25,015	82,986	44,755
Other revenue	3,10,16	24,342	8,550	38,454
Gains on sale/revaluation of property, plant and equipment and investments	4,17	4,655	8,655	4,551
Total income		**4,126,238**	**3,889,214**	**4,361,320**
Expenses				
Employee expenses	11,18	860,481	863,081	919,362
Supplies and services	12,19	642,647	644,872	693,266
Grants and subsidies	5,20	2,460,608	2,205,932	2,597,642
Depreciation and amortisation		178,834	182,227	188,550
Finance/borrowing costs		18,838	17,903	17,345
Other expenses	6,21	23,594	11,934	24,971
Losses on sale/revaluation of property, plant and equipment and investments	7,22	637	5,074	474
Total expenses		**4,185,639**	**3,931,023**	**4,441,610**
OPERATING SURPLUS/(DEFICIT)	8,13,23	**(59,401)**	**(41,809)**	**(80,290)**

STATEMENT OF CHANGES IN EQUITY

Department of Communities	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve	24,26,29	168,708	(292,294)	16,775
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**168,708**	**(292,294)**	**16,775**
Surplus/(deficit) for the period	25,27,30	(59,401)	(41,809)	(80,290)
Total recognised income and expense for the period		**109,307**	**(334,103)**	**(63,515)**
Equity injection/(withdrawal)	28,31	635,970	614,867	170,779
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**745,277**	**280,764**	**107,264**

BALANCE SHEET

Department of Communities	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	32,49	169,317	211,929	155,081
Receivables	33,42	114,735	80,697	73,502
Other financial assets		6,000	6,000	6,000
Inventories	34,43,50	9,381	20,644	7,405
Other		20,908	22,494	22,706
Non-financial assets held for sale	35,44	51,748	69,921	64,721
Total current assets		**372,089**	**411,685**	**329,415**
NON-CURRENT ASSETS				
Receivables	36,51	43,500	38,016	46,055
Other financial assets		192,838	203,867	204,818
Property, plant and equipment	37,52	16,265,408	16,082,190	16,262,976
Intangibles		86,818	84,576	86,632
Other		..	284	284
Total non-current assets		**16,588,564**	**16,408,933**	**16,600,765**
TOTAL ASSETS		**16,960,653**	**16,820,618**	**16,930,180**
CURRENT LIABILITIES				
Payables		185,338	182,647	182,401
Accrued employee benefits	38,45	27,689	33,321	33,526
Interest-bearing liabilities and derivatives		13,601	13,137	13,451
Provisions	39,46	968	4,692	4,692
Other		13,424	13,200	13,650
Total current liabilities		**241,020**	**246,997**	**247,720**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		393,944	378,261	379,836
Provisions		529	529	529
Other		272	538	538
Total non-current liabilities		**394,745**	**379,328**	**380,903**
TOTAL LIABILITIES		**635,765**	**626,325**	**628,623**
NET ASSETS/(LIABILITIES)		**16,324,888**	**16,194,293**	**16,301,557**
EQUITY				
Capital/contributed equity	53	15,604,115	15,613,427	15,784,206
Accumulated surplus/(accumulated deficit)	40,47,54	(55,389)	(38,000)	(118,290)
Reserves:				
- Asset revaluation surplus	41,48	776,162	618,866	635,641
- Other (specify)		..	..	..
TOTAL EQUITY		**16,324,888**	**16,194,293**	**16,301,557**

CASH FLOW STATEMENT

Department of Communities	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts	55,62,76	3,705,123	3,447,815	3,898,878
User charges	77	382,693	362,665	391,699
Grants and other contributions	56,63,78	25,015	79,361	44,755
Other	64	566,269	533,807	498,943
Outflows:				
Employee costs	65,79	(861,298)	(863,898)	(918,424)
Supplies and services	66,80	(904,374)	(894,357)	(961,427)
Grants and subsidies	57,81	(2,460,608)	(2,215,993)	(2,597,642)
Borrowing costs		(18,838)	(17,903)	(17,345)
Other	67,82	(306,500)	(303,908)	(221,460)
Net cash provided by/(used in) operating activities		**127,482**	**127,589**	**117,977**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment	58,68	63,137	80,588	76,737
Investments redeemed	59,69, 83	6,000	5,000	4,000
Loans and advances redeemed	70,84	20,111	21,311	23,629
Outflows:				
Payments for property, plant and equipment and intangibles	71,85	(931,132)	(895,278)	(417,416)
Payments for investments		(200)	(200)	(400)
Loans and advances made	72,86	(27,948)	(27,958)	(33,969)
Net cash provided by/(used in) investing activities		**(870,032)**	**(816,537)**	**(347,419)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings	60,73,87	17,500	..	15,000
Equity injections	74,88	725,251	709,989	185,927
Outflows:				
Borrowing redemptions	61	(14,179)	(12,827)	(13,111)
Finance lease payments		..	..	..
Equity withdrawals	75,89	(89,281)	(91,058)	(15,222)
Net cash provided by/(used in) financing activities		**639,291**	**606,104**	**172,594**
Net increase/(decrease) in cash held		**(103,259)**	**(82,844)**	**(56,848)**
Cash at the beginning of financial year		**272,576**	**294,773**	**211,929**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**169,317**	**211,929**	**155,081**

ADMINISTERED INCOME STATEMENT

Department of Communities	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Revenues				
Commonwealth grants		..	..	..
Taxes, fees and fines		6	6	6
Royalties, property income and other territorial Revenue		..	..	..
Interest		627	627	627
Administered revenue		290,853	288,342	314,690
Other	90,93,96	..	58,795	9,694
Total revenues		**291,486**	**347,770**	**325,017**
Expenses				
Supplies and services	91,94,97	..	26,762	2,494
Depreciation and amortisation		..	..	..
Grants and subsidies	92,95,98	127,411	159,319	149,057
Benefit payments		..	117	..
Borrowing costs		..	..	..
Other		162,815	160,312	172,206
Total expenses		**290,226**	**346,510**	**323,757**
Net surplus or deficit before transfers to Government		**1,260**	**1,260**	**1,260**
Transfers of administered revenue to Government		**633**	**633**	**633**
OPERATING SURPLUS/(DEFICIT)		**627**	**627**	**627**

ADMINISTERED BALANCE SHEET

Department of Communities	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	99,104	5,674	7,326	7,953
Receivables	100	4,093	9,920	9,920
Inventories		..	..	..
Other		..	..	..
Non-financial assets held for sale		..	..	..
Total current assets		**9,767**	**17,246**	**17,873**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		..	..	..
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**..**	**..**	**..**
TOTAL ADMINISTERED ASSETS		**9,767**	**17,246**	**17,873**
CURRENT LIABILITIES				
Payables	101	11,918	21,556	21,556
Transfers to Government payable		2	4	4
Interest-bearing liabilities		3	..	..
Other	102,105	1,495	..	..
Total current liabilities		**13,418**	**21,560**	**21,560**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Interest-bearing liabilities		(1)	..	..
Other		..	..	..
Total non-current liabilities		**(1)**	**..**	**..**
TOTAL ADMINISTERED LIABILITIES		**13,417**	**21,560**	**21,560**
ADMINISTERED NET ASSETS/(LIABILITIES)		**(3,650)**	**(4,314)**	**(3,687)**
EQUITY				
Capital/Contributed equity		(6,536)	(6,536)	(6,536)
Accumulated surplus/(Accumulated deficit)	103,106,107	2,886	2,222	2,849
Reserves:		..	..	..
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL ADMINISTERED EQUITY		**(3,650)**	**(4,314)**	**(3,687)**

ADMINISTERED CASH FLOW STATEMENT

Department of Communities	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Administered item receipts		290,853	288,342	314,690
Grants and other contributions	108,113,115	..	58,795	9,694
Taxes, fees and fines		6	6	6
Royalties, property income and other territorial revenues		..	..	..
Other		627	627	627
Outflows:				
Transfers to Government		(633)	(633)	(633)
Grants and subsidies	109,114,116	(127,411)	(159,436)	(149,057)
Supplies and services	110	(162,815)	(187,074)	(174,700)
Borrowing costs		..	..	..
Other		..	..	..
Net cash provided by/(used in) operating activities		**627**	**627**	**627**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**..**	**..**	**..**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	111,117	.	1,200	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments				
Equity withdrawals	112,118		(1,200)	..
Net cash provided by/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**627**	**627**	**627**
Administered cash at beginning of financial year		**5,047**	**6,699**	**7,326**
Cash transfers from restructure		..	..	..
Administered cash at end of financial year		**5,674**	**7,326**	**7,953**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. Decrease is mainly due to deferral of funds relating to Housing and Homelessness Services, Disability and Community Care Services and Community and Youth Justice Services.
2. Increase is mainly due to additional funding associated with natural disasters in 2010-11.
3. Decrease mainly due to lower level of sales relating to Kelvin Grove Urban Village project and Government Land Register initiatives.
4. Increase due to gain on revaluation of Rental Purchase Plan properties.
5. Decrease primarily relates to deferral of grant funding within Housing and Homelessness Services, Community and Youth Justice Services and Disability and Community Care Services to 2011-12.
6. Decrease mainly due to lower cost of sales relating to the Kelvin Grove Urban Village project and Government Land Register initiatives.
7. Increase mainly due to higher than anticipated loss on revaluation of assets held for sale.
8. Decrease in deficit mainly relates to lower than anticipated expenditure relating to revenue recognised in previous years, in Disability and Community Care Services and increased funding associated with natural disasters in 2010-11 primarily where expenditures relate to capital expenditure; offset by lower rental receipts in Housing and Homelessness Services.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

9. Increase is mainly due to additional funding associated with natural disasters in 2010-11.
10. Increase is mainly due to anticipated higher level of sales relating to Kelvin Grove Urban Village project and Government Land Register initiatives.
11. Increase is mainly due to enterprise bargaining cost increases together with increases relating to the Cleveland Youth Detention Centre, Disability and Community Care Services and Housing and Homelessness Services.
12. Increase is mainly due to increase in costs for maintenance and rates on department owned properties and operating administrative expenditure.
13. Increase in deficit is primarily due to increased operating costs partially offset by increased revenue together with the impact of expenditure deferrals from 2010-11 where revenue was recognised in an earlier year in Housing and Homelessness Services; offset by lower expenditure relating to revenue recognised in previous years in Disability and Community Care Services.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

14. Increase mainly due to deferral of funds and increased allocation of funds including growth funding.
15. Decrease mainly due to anticipated lower level of funding in 2011-12 associated with natural disasters in 2010-11.
16. Increase is mainly due to anticipated sales relating to Kelvin Grove Urban Village project and Government Land Register initiatives.
17. Decrease due to anticipated lower level of gain on revaluation of Rental Purchase Plan properties.
18. Increase is mainly due to enterprise bargaining cost increases together with increases relating to the Cleveland Youth Detention Centre, Disability and Community Care Services and Housing and Homelessness Services.
19. Increase is mainly due to increase in costs for maintenance and rates on department owned properties and operating administrative expenditure.
20. Increase relates mainly to deferrals from 2010-11 and increased allocation of funds including indexation funding.
21. Increase due to anticipated cost of sales relating to Kelvin Grove Urban Village project and Government Land Register initiatives.
22. Decrease reflects anticipated loss on revaluation of assets held for sale in 2010-11.
23. Increase in deficit is primarily due to a lower level of funding in 2011-12 than 2010-11, associated with natural disasters where expenditures primarily relate to capital expenditure, the impact of expenditure deferrals from 2010-11 where revenue was recognised in an earlier year in Housing and Homelessness Services, and an increase in net operating costs; offset by increased asset revenue (including rental revenue, gains on sale and revaluation) for Housing and Homelessness Services and lower than anticipated expenditure relating to revenue recognised in previous years in Disability and Community Care Services.

Statement of changes in equity

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

24. Decrease reflects expected decrease in property asset values.
25. Decrease in deficit mainly relates to lower than anticipated expenditure relating to revenue recognised in previous years in Disability and Community Care Services, and increased funding associated with natural disasters in 2010-11 where expenditures primarily relate to capital expenditure; offset by lower rental receipts in Housing and Homelessness Services.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

26. Decrease reflects anticipated minor increase in property asset values in 2011-12.
27. Increase in deficit is primarily due to increased operating costs partially offset by increased revenue together with the impact of expenditure deferrals from 2010-11 where revenue was recognised in an earlier year in Housing and Homelessness Services; offset by lower expenditure relating to revenue recognised in previous years in Disability and Community Care Services.
28. Decrease relates to lower levels of capital works primarily related to Housing and Homelessness Services together with a change in the Housing and Homelessness Services funding arrangements.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

29. Increase reflects anticipated minor increase in property asset values.

30. Increase in deficit is primarily due to a lower level of funding in 2011-12 than 2010-11, associated with natural disasters where expenditures primarily relate to capital expenditure, the impact of expenditure deferrals from 2010-11 where revenue was recognised in an earlier year in Housing and Homelessness Services, and an increase in net operating costs; offset by increased asset revenue (including rental revenue, gains on sale and revaluation) for Housing and Homelessness Services and lower than anticipated expenditure relating to revenue recognised in previous years in Disability and Community Care Services.
31. Decrease relates to lower levels of capital works primarily related to Housing and Homelessness Services together with a change in the Housing and Homelessness Services funding arrangements.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
32. Increase mainly relates to higher than anticipated opening balance.
33. Decrease mainly relates to lower than anticipated opening balance in relation to input tax credits receivable from the Australian Taxation Office.
34. Increase mainly due to lower than anticipated level of sales relating to the Kelvin Grove Urban village project and the Government Land Register initiative.
35. Increase due to higher level of property assets held for sale.
36. Decrease reflects anticipated balance of non-current loans in the home lending portfolio.
37. Decrease mainly due to lower than anticipated level of capital works, primarily in Housing and Homelessness Services and a decrease in asset values in 2010-11.
38. Increase reflects higher than anticipated opening balance.
39. Increase mainly reflects higher than anticipated opening balance in provision for outstanding claims for reparation.
40. Decrease in deficit mainly reflects lower than anticipated deficit in 2009-10 and additional funding in relation to the natural disasters in 2010-11.
41. Decrease reflects higher than anticipated opening balance offset by lower than anticipated asset revaluations for 2010-11.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
42. Decrease mainly relates to lower than anticipated opening balance in relation to input tax credits receivable from the Australian Taxation Office.
43. Decrease due to anticipated higher sales relating to Kelvin Grove Urban Village project and the Government Land Register initiative in 2011-12.
44. Increase due to expected higher level of property assets held for sale.
45. Increase reflects higher than anticipated opening balance.
46. Increase mainly reflects higher than anticipated opening balance in provision for outstanding claims for reparation.
47. Increase reflects operating deficit transferred to accumulated deficit.
48. Decrease reflects higher than anticipated opening balance for 2010-11 offset by lower than anticipated asset revaluations for 2010-11.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
49. Decrease mainly relates to Housing and Homelessness Services funds being applied to grants and capital expenditure.
50. Decrease due to anticipated higher sales relating to Kelvin Grove Urban Village project and the Government Land Register initiative.
51. Increase reflects anticipated balance for the Housing and Homelessness Services home lending portfolio.
52. Increase reflects anticipated capital works activity primarily in Housing and Homelessness Services.
53. Increase reflects the anticipated movement in equity in 2011-12 which primarily relates to equity injections for capital works in Housing and Homelessness Services.
54. Increase reflects operating deficit transferred to accumulated deficit.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
55. Decrease mainly due to deferral of funds relating to Housing and Homelessness Services, Disability and Community Care Services and Community and Youth Justice Services.
56. Increase is mainly due to additional funding associated with natural disasters in 2010-11.
57. Decrease primarily relates to lower than anticipated expenditure within Housing and Homelessness Services, Community and Youth Justice Services and Disability and Community Care Services.
58. Increase primarily due to higher anticipated proceeds from sales of property assets.
59. Decrease due to lower than anticipated proceeds from the sale of Rental Purchase Plan properties.
60. Decrease relates to anticipated borrowings from Queensland Treasury Corporation for the Home Lending Program not being drawn.
61. Decrease relates to anticipated borrowings from Queensland Treasury Corporation for the Home Lending Program not being drawn.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
62. Increase mainly due to deferral of funds from 2010-11 and increased allocation of funds including growth funding.
63. Increase is mainly due to additional funding associated with natural disasters in 2010-11.
64. Decrease is mainly due to a lower level of capital works activity being undertaken by Project Services resulting in decreased input taxed credits to be received from the Australian Taxation Office.
65. Increase is mainly due to Enterprise Bargaining cost increases together with increases relating to the Cleveland Youth Detention Centre, Disability and Community Care Services and Housing and Homelessness Services.
66. Increase is mainly due to increase in costs for maintenance and rates on department owned properties and operating administrative expenditure.
67. Decrease is mainly due to a lower level of capital works activity being undertaken by Project Services resulting in decreased GST remitted to the Australian Taxation Office.
68. Increase primarily due to higher anticipated proceeds from sales of property assets.

69. Decrease due to lower anticipated proceeds from the sale of Rental Purchase Plan properties.
70. Increase due to anticipated higher level of loan redemptions.
71. Decrease due to lower level of capital works, primarily relating to Housing and Homelessness Services.
72. Increase reflects anticipated levels of lending.
73. Decrease represents anticipated level of borrowing requirement from Queensland Treasury Corporation to fund Home Lending programs.
74. Decrease due to lower levels of capital works, primarily relating to Housing and Homelessness Services.
75. Decrease relates to change in the Housing and Homelessness funding arrangements.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
76. Increase mainly due to deferral of funds from 2010-11 and increased allocation of funds including growth funding.
77. Increase mainly due anticipated increase in rental revenue for Housing and Homelessness Services.
78. Decrease mainly due to anticipated lower level of funding in 2011-12 associated with natural disasters in 2010-11.
79. Increase is mainly due to enterprise bargaining cost increases together with increases relating to the Cleveland Youth Detention Centre, Disability and Community Care Services and Housing and Homelessness Services.
80. Increase is mainly due to increase in costs for maintenance and rates on department owned properties and operating administrative expenditure.
81. Increase mainly due to deferral of expenditure from 2010-11 and increased allocation of funds including indexation funding.
82. Decrease is mainly due to a lower level of capital works activity being undertaken by Project Services resulting in decreased GST remitted to the Australian Taxation Office.
83. Decrease due to anticipated levels of Rental Purchase Plan property sales.
84. Increase relates to anticipated higher level of lending.
85. Decrease primarily due to lower level of capital works, mainly in Housing and Homelessness Services.
86. Increase reflects anticipated levels of lending.
87. Increase relates to borrowings from Queensland Treasury Corporation for the Home Lending program.
88. Decrease primarily due to lower level of capital works, mainly in Housing and Homelessness Services.
89. Decrease relates to changes in the Housing and Homelessness funding arrangements.

Administered income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
90. Increase due to additional funding associated with natural disasters in 2010-11.
91. Increase in expenditure mainly due to costs associated with natural disasters in 2010-11.
92. Increase in expenditure mainly due to costs associated with natural disasters in 2010-11.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
93. Increase due to additional funding associated with natural disasters in 2010-11.
94. Increase in expenditure mainly due to costs associated with natural disasters in 2010-11.
95. Increase in expenditure mainly due to costs associated with natural disasters in 2010-11 and an increase in concessions.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
96. Decrease is due to lower level of funding associated with natural disasters in 2010-11.
97. Decrease is due to lower expenditure relating to natural disasters in 2010-11.
98. Decrease is due to lower expenditure relating to natural disasters in 2010-11 offset by an increase in concessions.

Administered balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
99. Increase due to additional funding provided for natural disasters in 2010-11.
100. Increase reflects higher than expected opening balance for Appropriation Receivable.
101. Increase due to higher than expected opening balance.
102. Decrease due to provision for outstanding claims no longer being required.
103. Decrease reflects lower than expected opening balance.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
104. Increase due to additional funding provided for natural disasters in 2010-11.
105. Decrease due to Provision for outstanding claims no longer being required.
106. Decrease reflects operating surplus transferred to retained surplus.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
107. Increase reflects operating surplus transferred to retained surplus.

Administered cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
108. Increase due to additional funding associated with natural disasters in 2010-11.
109. Increase in expenditure mainly due to costs associated with natural disasters in 2010-11.
110. Increase in expenditure mainly due to costs associated with natural disasters in 2010-11.
111. Increase due to appropriation to equity swap relating to 2009-10 deferral.
112. Decrease due to appropriation to equity swap relating to 2009-10 deferral.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
113. Increase due to additional funding associated with natural disasters in 2010-11.
114. Increase in expenditure mainly due to costs associated with natural disasters in 2010-11and an increase in concessions.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
115. Decrease due to anticipated lower funding associated with natural disasters in 2010-11.
116. Decrease due to anticipated lower expenditure associated with natural disasters in 2010-11 offset by an increase in concessions.
117. Decrease is due to appropriation to equity swap impacting 2010-11.
118. Increase is due to appropriation to equity swap impacting 2010-11.

Statutory Bodies

Commission for Children and Young People and Child Guardian

OVERVIEW

The Commission's mandate aligns with the Government's *Toward Q2: Tomorrow's Queensland* ambition of *Fair - Supporting safe and caring communities*. Its focus is upholding children's rights, promoting their interests and wellbeing, enhancing their safety, advocating for those who are vulnerable, and oversighting the effectiveness of child safety and youth justice systems in protecting and supporting them.

The Commission continues to advocate strongly in support of the right of children to have their views taken into consideration, particularly on matters relating to them.

In meeting its legislative responsibilities, the Commission regularly engages with and gives a voice to children and young people in the child safety and youth justice systems and where necessary resolves any issues and investigates complaints; monitors systems, policies and practices relating to the provision of services to children in the child safety and youth justice systems; reports on the wellbeing of all children in Queensland; maintains Queensland's child death register as well as support the child death case review committee process; conducts research into matters affecting children; and administers the blue card system.

REVIEW OF PERFORMANCE

Recent achievements

In 2010-11, the Commission:

- in partnership with stakeholders, implemented extensive and complex legislative changes to the blue card system, simplified application processes for a record number of applications, implemented an exemption framework and reduced duplication associated with criminal history screening
- improved systems and data capture to enhance assessment of and reporting on the safety and wellbeing of over 7,200 children in foster care, residential care or detention
- shared its expanded and unique evidence based data with stakeholders to strengthen overall understanding of and advocacy for matters affecting children and young people.

Future developments

In 2011-12, the Commission will:

- further collaborate with relevant government and community organisations on implementation of the *National Framework for Protecting Australia's Children* to:
  - promote a nationally consistent approach to 'working with children' checks;
  - contribute to the implementation of *National Standards for Out of Home Care,* including the development of a national survey for children in care; and
  - establish greater national consistency in identifying risks associated with child deaths.

- review and where practical automate additional processes to further streamline the blue card system
- continue to engage with key stakeholders to improve outcomes of advocacy and decision making for children and young people, particularly those most vulnerable.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
	2	277	238	242

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. The 2010-11 Estimated actual is lower than the 2010-11 Budget due to the conclusion of temporary and project officer roles and a number of permanent positions that have remained vacant.

PERFORMANCE STATEMENT

Service standards	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Percentage of recommendations from investigations accepted by government		95%	100%	95%
Child Death Case Review Committee members rating of secretariat support provided by the Commission	1	8.5	8.5	8.5
Percentage of recommendations from systemic monitoring, audit and review activities accepted by government		95%	100%	95%
Percentage of health, education, special needs and transition issues related to children within the scope of the Community Visitor Program resolved at the local level		85%	91%	85%
Young people's rating of the helpfulness of Community Visitors	2	8.5	9.0	8.5
Applicant satisfaction with Employment Screening processes	3	85%	83.5%	85%
Average processing time (days) of Employment Screening applications where there is no criminal history	4	17	29	17
Other measures				
Number of policy submissions made that incorporate Commission data as evidence or promote children's rights		50	50	50
Number of children and young people responding to Views surveys	5	2,200	3,058	2,200
Number of Indigenous children and young people responding to Views surveys	5	600	948	600

Service standards	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Percentage of complaints issues relating to child safety and youth justice systems resolved within 90 days		85%	85%	85%
Percentage of deaths of Queensland children and young people that are recorded on the Commission's Child Death register and reported annually to Parliament		100%	100%	100%
Percentage of monitoring plans with relevant agencies that are up to date		100%	100%	100%
Percentage of serious issues (section 25) raised by Community Visitors that are referred to relevant agencies within 24 hours	6	100%	97%	100%
Percentage of children within the scope of the Community Visitor Program visited in accordance with the designated visiting schedule		90%	90%	90%
Percentage of Indigenous children within the scope of the Community Visitor Program visited in accordance with the designated visiting schedule		90%	88%	90%
Percentage of Employment Screening applications processed:	4			
• Within 28 days where there is no criminal history		85%	30%	85%
• Within 4 months where a criminal history has been notified		90%	80%	90%
Number of blue card holders and applicants monitored for continued eligibility on a daily basis		475,000	514,000	500,000
State contribution ($000)	7	**39,146**	**37,120**	**40,571**
Other revenue ($000)		**7,784**	**7,784**	**7,150**
Total cost ($000)		**46,930**	**44,904**	**47,721**

Notes:
1. New members have recently joined the Child Death Case Review Committee and a settling in period was allowed before conducting the survey in May 2011.
2. The 2010-11 Estimated actual is derived from the most recently conducted biennial Views of Children and Young People in Foster Care survey. The Target/estimate is based on a 10 point rating scale and defined as the mean score of Community Visitor helpfulness as rated by young people in care.
3. The data for this service standard is based on a biennial survey with the next survey being completed in late 2011.
4. Blue card processing timeframes in 2010-11 have been affected by the need to introduce new and amended processes to manage legislative change, and a number of compounding factors including new quality assurance and control measures necessary for the successful deployment of a new processing database, record numbers of blue card applications and business disruptions affecting the Commission and its suppliers caused by the Brisbane floods. The effect of the new and amended processes in particular mean that direct comparisons with performance data for previous years are not valid. As, at the time of publication less than 12 months of performance data had been accumulated under the changed legislative regime and the new processing arrangements are still being refined, the 2011-12 Target/estimate is notional.
5. The 2010-11 Estimated actual is derived from the most recently conducted biennial Views of Children and Young People in foster care, residential care and detention centres surveys and was influenced by an extended survey return period (from two months to three months) for the most recent survey conducted.

6. A small number of serious issues exceeded the set timeframe in 2010-11, although all were referred to the relevant agencies for necessary action. There were no adverse effects for the children involved.
7. Increase in State contributions is due to additional funding received for enterprise bargaining.

INCOME STATEMENT

Commission for Children and Young People and Child Guardian	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue		..	..	..
User charges		..	..	..
Grants and other contributions	1,4,8	39,146	37,120	40,571
Other revenue	5,9	7,784	7,784	7,150
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**46,930**	**44,904**	**47,721**
Expenses				
Employee expenses	2,6,10	30,987	30,237	32,514
Supplies and services	3,7	14,577	13,290	13,830
Grants and subsidies		..	..	..
Depreciation and amortisation		1,354	1,365	1,365
Finance/borrowing costs		..	..	..
Other expenses		12	12	12
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**46,930**	**44,904**	**47,721**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

STATEMENT OF CHANGES IN EQUITY

Commission for Children and Young People and Child Guardian	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		..	..	..
Total recognised income and expense for the period		**..**	**..**	**..**
Equity injection/(withdrawal)	11,12	..	1,200	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**..**	**1,200**	**..**

BALANCE SHEET

Commission for Children and Young People and Child Guardian	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets		5,701	6,395	7,610
Receivables		922	888	888
Other financial assets		..	..	..
Inventories		..	..	..
Other		236	244	244
Non-financial assets held for sale		..	..	..
Total current assets		**6,859**	**7,527**	**8,742**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	13	2,515	2,930	2,636
Intangibles	14,17,20	6,957	4,475	3,554
Other		..	..	..
Total non-current assets		**9,472**	**7,405**	**6,190**
TOTAL ASSETS		**16,331**	**14,932**	**14,932**
CURRENT LIABILITIES				
Payables	15,18	6,108	3,293	3,293
Accrued employee benefits		1,559	1,705	1,705
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**7,667**	**4,998**	**4,998**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		555	625	625
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**555**	**625**	**625**
TOTAL LIABILITIES		**8,222**	**5,623**	**5,623**
NET ASSETS/(LIABILITIES)		**8,109**	**9,309**	**9,309**
EQUITY				
Capital/contributed equity	16,19	7,212	8,412	8,412
Accumulated surplus/(accumulated deficit)		897	897	897
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**8,109**	**9,309**	**9,309**

CASH FLOW STATEMENT

Commission for Children and Young People and Child Guardian	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts		..	..	..
User charges		3	3	3
Grants and other contributions	21,27,30	39,146	37,120	40,571
Other	22,28,31	7,938	9,153	8,519
Outflows:				
Employee costs	23,29,32	(30,987)	(30,237)	(32,514)
Supplies and services		(15,935)	(14,659)	(15,199)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(15)	(15)	(15)
Net cash provided by/(used in) operating activities		**150**	**1,365**	**1,365**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	24,33	(150)	(1,350)	(150)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(150)**	**(1,350)**	**(150)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	25,34	..	1,200	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**..**	**1,200**	**..**
Net increase/(decrease) in cash held		**..**	**1,215**	**1,215**
Cash at the beginning of financial year	26	**5,701**	**5,180**	**6,395**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**5,701**	**6,395**	**7,610**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. Decrease in grants and other contributions due to the transfer of funds from operating to equity and the reduction of grant funding related to the early draw down of forward estimate funding in 2009-10.
2. Decrease in employee expenses is principally related to the return of forward estimate funding drawn down in 2009-10.
3. Decrease in supplies and services is due to a reduction in grant funding related to the early draw down of forward estimate funding in 2009-10 and the transfer of funds from operating to equity.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

4. Increase in grants and other contributions is mainly due to additional funds received for enterprise bargaining.
5. Decrease in other revenue is due to lower than anticipated movements of blue card holders from volunteer roles to paid employment.
6. Increase in employee expenses is due to enterprise bargaining increases.
7. Decrease in supplies and services is due to lower than anticipated movements of blue card holders from volunteer roles to paid employment.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

8. Increase in grants and other contributions is due to additional funds received for enterprise bargaining.
9. Decrease in other revenue is due to lower than anticipated movements of blue card holders from volunteer roles to paid employment.
10. Increase in employee expenses is due to additional funds received for enterprise bargaining.

Statement of changes in equity

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

11. Increase in equity injection/(withdrawal) relates to the deferral of committed funding from 2009-10 for the continued development of business systems.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

12. Decrease in equity injection/(withdrawal) relates to the deferral of committed funding from 2009-10 for the continued development of business systems.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

13. Increase in property, plant and equipment relates to the capitalisation of the commission's information and communication technology infrastructure.
14. Decrease in intangibles relates to the deferral of committed funding from the 2009-10 financial year for the continued development of business systems, de-commissioning of an obsolete database and ongoing amortisation of business systems.
15. Decrease in payables relates to one-off purchases related to the development of business systems and information and communication technology infrastructure.
16. Increase in capital/contributed equity relates to the deferral of committed funds from the 2009-10 financial year for the continued development of business systems.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

17. Decrease in intangibles relates to the deferral of committed funding from the 2009-10 financial year for the continued development of business systems.
18. Decrease in payables relates to one-off purchases related to the development of business systems and information and communication technology infrastructure.
19. Increase in capital/contributed equity relates to the deferral of committed funds from the 2009-10 financial year for the continued development of business systems.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

20. Decrease in intangibles relates to one-off purchases related to the development of business systems.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

21. Decrease in grants and other contributions due to the transfer of funds from operating to equity and the reduction of grant funding related to the early draw down of forward estimate funding in 2009-10.
22. Increase in other relates to higher than anticipated Goods and Services Tax input credits received from the Australian Tax Office.
23. Decrease in employee expenses is due to the reduction of grant funding related to the early draw down of forward estimate funding in 2009-10.
24. Increase in payments for property, plant and equipment and intangibles relates to the deferral of committed funding from the 2009-10 financial year for the continued development of business systems.
25. Increase in equity injections relates to the deferral of committed funding from the 2009-10 financial year for the continued development of business systems.
26. Decrease in cash at the beginning of financial year is due to higher than anticipated vendor payments during 2009-10, including blue card processing costs and travel related to visits to children in out of home care.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
27. Increase in grants and other contributions is due to additional funds received for enterprise bargaining.
28. Increase in other is due to a consumer price index increase in the fees for the Working with Children Check.
29. Increase in employee costs is due to additional funds received for enterprise bargaining.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
30. Increase in grants and other contributions is due to additional funds received for enterprise bargaining.
31. Decrease in other revenue is due to lower than anticipated movements of blue card holders from volunteer roles to paid employment.
32. Increase in employee costs is due to additional funds received for enterprise bargaining.
33. Decrease in payments for property, plant and equipment and intangibles relates to the deferral of committed funding from the 2009-10 financial year for the continued development of business systems.
34. Decrease in equity injections relates to the deferral of committed funding from the 2009-10 financial year for the continued development of business systems

Family Responsibilities Commission

OVERVIEW

As part of the wider Cape York Welfare Reform Trial, the Family Responsibilities Commission (the Commission) has a lead role in restoring local authority and socially responsible standards of behaviour in Aurukun, Coen, Hope Vale and Mossman Gorge. The Commission was established by the *Family Responsibilities Commission Act 2008* and commenced operations on 1 July 2008.

The Commission's activities support the Department of Communities' priorities of:
- leading the Council of Australian Governments' 'closing the gap' agenda in Queensland
- supporting Queensland's children and families at risk of entering the child protection system through earlier intervention and better access to a range of services.

The Commission's objectives are to:
- provide effective and efficient client services and influence the wider acceptance of socially responsible standards of behaviour at the individual, family and community level
- strengthen collaborative cross agency partnerships to support local Indigenous authorities
- enhance community engagement and promote understanding of the Commission's role to support local Indigenous authority and promote the wider acceptance of socially responsible standards of behaviour so that each welfare reform community is a more caring and safer place to live.

REVIEW OF PERFORMANCE

Recent achievements

In 2010-11, the Commission:
- provided mediation training for the Local Commissioners
- provided Justice of the Peace training for the Local Commissioners
- implemented the Active Family Pathways case co-ordination framework
- made amendments to legislation
- undertook conferencing and service referral of clients in communities
- provided ongoing case management for the Commission's clients
- implemented improved client management database and monitoring systems
- maintained statutory quarterly statistical and operational reporting.

Future developments

In 2011-12, the Commission will:
- provide further training for the Local Commissioners
- streamline internal procedures and client data recording and reporting systems
- continue collaboration with service providers to develop and improve case management outcomes for the Commission's referred clients
- develop an exit strategy.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
		22.09	23.69	23.69

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

PERFORMANCE STATEMENT

Service standards	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service standards	1			
Other measures				
Number of clients subject to agency notifications	2,3,4,5,6,7,8	980	730	680
Number of agency notifications received	2,3,4,5,6,7,9	2,800	3659	3300
Number of child safety and welfare notifications received	8	250	243	220
Number of school attendance notifications received	9,10	1,100	1392	1340
Number of school enrolment notifications received	11,12	20	-	10
Number of housing notifications received	13,14	150	37	35
Number of offence notifications received	15,16	1,300	1987	1730
Number of notices of conference issued	17,18	1,300	1737	1560
Number of clients who are on orders to attend support services	19	600	135	170
Number of client service referrals	20,21	600	337	390
Number of clients with conference outcomes recommending no further action	22,23	400	712	700
Number of clients subject to Conditional Income Management (CIM)	24,25	200	235	210
State contribution ($000)		3,156	3,300	2,860
Other revenue ($000)		75	83	75
Total cost ($000)		4,284	4,578	4,135

Notes:

1. Suitable measures of efficiency and effectiveness are currently being investigated. Due to the small sample size all variations are substantial.
2. A notification report from a prescribed notification agency that meets the legislative threshold. Where a notification relates to more than one person, each person referred to in the notification is counted as a notification received by the commission. A person can be subject to more than one notification during the period.
3. The number of clients subject to agency notifications includes the number of persons to whom an agency notification is received – either from the Department of Communities (Child Safety Services and Housing and Homelessness Services) or the Department of Education and Training. These are recorded during the period.
4. For Magistrates Courts notifications, each notification is recorded during the period.
5. 'In Jurisdiction' clients are those residing and collecting specified Centrelink payments within the areas of prescribed jurisdiction of the Cape York Welfare Reform Trial in the communities of Aurukun, Coen, Hope Vale and Mossman Gorge.
6. Not In Jurisdiction' clients are those either not residing or not collecting specified Centrelink payments within the areas of prescribed jurisdiction in the communities of Aurukun, Coen, Hope Vale and Mossman Gorge. This category of client is not recorded in the figures.
7. The volume in agency notifications has increased in 2010-11. This is due to the increased number of conferences in the October to December period.
8. Child Safety and welfare notifications are agency notifications received from the Department of Communities and are processed for 'in jurisdiction' and out of jurisdiction clients. These are counted for each individual parent/carer subject to the individual notification.
9. School Attendance notifications are agency notifications received from the Department of Education and Training and processed for 'in jurisdiction' and out of jurisdiction clients. These notifications relate to parents whose children exceed unexplained absences of three full or part days in a single school term. These are counted for each individual parent/carer subject to the individual notification.
10. The volume of School Attendance notifications has increased in 2010-11. This resulted in the increased number of conferences in the October to December period. This is expected to decrease in 2011-12.
11. School Enrolment notifications are agency notifications received from the Department of Education and Training processed for 'in jurisdiction' and out of jurisdiction clients. These notifications relate to parents whose school age children are not enrolled in any school during a school term. These are counted for each individual parent/carer subject to the individual notification.
12. No School enrolment notifications were received in 2010-11. It is anticipated that no or very low numbers of this type on notification will be received in 2011-12.
13. Housing notifications are agency notifications received from the Housing providers and processed for 'in jurisdiction' and out of jurisdiction clients. These notifications relate to tenants who fail to pay rents or have breached a tenancy agreement. These are counted for each individual tenant/common tenants subject to the individual notification.
14. The expected increase in Housing notifications in 2010-11, due to the increase in formal tenancy agreements in welfare reform communities, has not occurred. This is due to the proactive approach of the Department of Community (Housing and Homelessness Services), all other avenues are tried before resorting to contacting the Family Responsibilities Commission.
15. Offence notifications are agency notifications received from the Magistrates Courts and processed for 'in jurisdiction' and out of jurisdiction clients. These notifications relate to offenders who have appeared before courts on serious matters involving criminal or family violence issues. These are counted for each individual subject to each individual notification/charge.
16. The increase in Offence notifications in 2010-11 may be a consequence of the delay in the lodgment of Magistrates Courts notifications in May and June 2010, due to fewer court sittings, which led to an increase in July and August 2010. There has also been an increase in Queensland Police numbers in Aurukun leading to proactive enforcement rather than just emergency management.
17. Conference notices issued relate to individuals found to be 'in jurisdiction' and whose matters are serious enough to be deemed by the commission to require conferencing. Regular conferencing circuits are conducted in each of the four welfare reform communities.
18. The volume of conferences increased in 2010-11. This is due to the increase in school attendance notifications received.
19. Clients who are on an order to attend support services are clients who have received conference notices issued by the commission on two occasions and failed to attend these conferences. Orders for these clients to attend support services for a specified period may be made by the Commissioners in their absence. Orders are also made where a client refuses to enter into an agreement.
20. Client service referrals relate to the total number of client voluntary and involuntary referrals made by the commission to support services as a result of conferences conducted in the four welfare reform communities.
21. The volume of client service referrals has continued to decrease in 2010-11. The often required course of action for the repeat clients is to issue CIM Orders.
22. Clients with outcomes recommending no further action are those clients whom matters have been subject to a conference and, after all matters have been considered, the Commissioners have found the matter as not requiring further intervention and have recommended that no further action be taken.
23. The trend towards a higher than expected volume of 'no further action' decisions has continued in 2010-11. It is preferable, where possible, to monitor the clients and re-conference with them in the future to track their progress.
24. Clients subject to Conditional Income Management (CIM) are clients who have been subject to conference and have attended or failed to attend these conferences and the Commissioners have determined and decided that a proportion of 60% or 75% of their income be managed by Centrelink.
25. The trend towards a higher than expected volume of CIM Orders has continued in 2010-11. The increased number of unsuccessful service referrals resulted in the higher number of CIM Orders.

INCOME STATEMENT

Family Responsibilities Commission	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue		..	..	..
User charges		..	..	..
Grants and other contributions	1,8,12	3,156	3,300	2,860
Other revenue	2,13	75	83	75
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**3,231**	**3,383**	**2,935**
Expenses				
Employee expenses	3,9,14,15	2,408	2,516	2,446
Supplies and services	4,10, 16	1,820	1,852	1,591
Grants and subsidies		..	..	..
Depreciation and amortisation	5,6,17	56	168	57
Finance/borrowing costs		..	..	..
Other expenses	7,11	..	42	41
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**4,284**	**4,578**	**4,135**
OPERATING SURPLUS/(DEFICIT)		**(1,053)**	**(1,195)**	**(1,200)**

STATEMENT OF CHANGES IN EQUITY

Family Responsibilities Commission	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		(1,053)	(1,195)	(1,200)
Total recognised income and expense for the period		**(1,053)**	**(1,195)**	**(1,200)**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period	18,19	**(1,053)**	**(1,195)**	**(1,200)**

BALANCE SHEET

Family Responsibilities Commission	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	20,25,29	1,166	1,203	60
Receivables		20	44	40
Other financial assets		..	..	..
Inventories		..	..	..
Other		..	..	..
Non-financial assets held for sale		..	..	..
Total current assets		**1,186**	**1,247**	**100**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	21,26,30	13	6	2
Intangibles	21,26,30	399	79	26
Other		..	..	..
Total non-current assets		**412**	**85**	**28**
TOTAL ASSETS		**1598**	**1,332**	**128**
CURRENT LIABILITIES				
Payables	27,31	150	150	120
Accrued employee benefits	22,27,31	320	277	250
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**470**	**427**	**370**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**470**	**427**	**370**
NET ASSETS/(LIABILITIES)		**1,128**	**905**	**(242)**
EQUITY				
Capital/contributed equity		..	..	..
Accumulated surplus/(accumulated deficit)	23,24,28,32	1,128	905	(242)
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**1,128**	**905**	**(242)**

CASH FLOW STATEMENT

Family Responsibilities Commission	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts	33,38,44	3,156	3,300	2,860
User charges	39,45	80	83	75
Grants and other contributions		..	..	..
Other		..	..	..
Outflows:				
Employee costs	34,40,46,47	(2,348)	(2,516)	(2,446)
Supplies and services	35,41,48	(1,820)	(1,852)	(1,591)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other	36,42	..	(42)	(41)
Net cash provided by/(used in) operating activities		**(932)**	**(1,027)**	**(1,143)**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(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/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**(932)**	**(1,027)**	**(1,143)**
Cash at the beginning of financial year		**2,098**	**2,230**	**1,203**
Cash transfers from restructure		..	..	..
Cash at the end of financial year	37,43,49	**1,166**	**1,203**	**60**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
1. Increase due to grant funds for IT upgrade.
2. Increases in bank interest rates are expected to increase bank interest in this financial year.
3. Increased cost due to the increase in the number of conferences held in the second quarter of the financial year.
4. Increased cost due to the increase in the number of conferences held in the second quarter of the financial year.
5. Depreciation represents amortisation of capitalised costs for leasehold improvements and client database development costs.
6. Increase due to changed method of calculating the depreciation; it is based on the working life of the assets. This accelerated the depreciation rate. The original cessation date of the *Family Responsibilities Commission Act 2008* was 1 January 2012.
7. This is the estimated cost of the annual external audit and the annual business insurance. The business insurance cover includes plant and equipment, business interruption and general liability.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
8. Decreased estimated grant and other contribution revenue.
9. Decrease in employee expenses is due to less casual staff required.
10. The increase reflects the normalisation of the number of conferences held. 2010-11 had an increased number of conferences.
11. This is the estimated cost of the annual external audit and the annual business insurance. The business insurance cover includes plant and equipment, business interruption and general liability.

Major variations between 2010-11 Estimated actual and 2011-12 Estimate include:
12. Decrease in estimated grant funding to be received.
13. Decrease in other income represents total bank interest received on the commission's bank account as the balance decreases over the life of the project.
14. Decrease in employee expenses is due to less casual staff required.
15. The decrease reflects the normalisation of the number of conferences held. 2010-11 had an increased number of conferences.
16. The decrease reflects the normalisation of the number of conferences held. 2010-11 had an increased number of conferences.
17. The estimated life of the assets is recast to reflect the extension of the *Family Responsibilities Commission Act 2008*.

Statement of changes in equity

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
18. Increase in total movement for the period is due to increased expenditure for the additional number of conferences held in 2010-11.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
19. Increase in the total movement for the period is due to the decrease in grant and other contribution revenue in the 2011-12 Estimate.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
20. Increase in the cash assets is due to increased bank interest received and additional grant funding.
21. Decrease in non-current assets is due to depreciation and amortisation. This has been calculated based on the working life of the asset.
22. Decrease in current liabilities is due to payment of accrued employee benefits.
23. Decrease in equity is due to the increased depreciation and amortisation based on the working life of the assets.
24. Decrease in equity is due to the increased operating costs incurred due to the increased number of conferences held.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
25. Decrease in cash assets is due to the decrease in estimated revenue.
26. Decrease in non-current assets is due to depreciation and amortisation. This has been calculated based on the working life of the asset.
27. Decrease in current liabilities is due to payment of accrued employee benefits and creditors.
28. Decrease in equity is due to the decrease in estimated revenue.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
29. Decrease in cash assets is due to the decrease in estimated revenue.
30. Decrease in non-current assets is due to depreciation and amortisation.
31. Decrease in current liabilities is due to payment of accrued employee benefits and creditors.
32. Increase in the total movement for the period is due to the decrease in grant and other contribution revenue in the 2011-12 Estimate.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
33. Increase due to grant funds for IT upgrade.
34. Increased cost due to the increase in the number of conferences held in the second quarter of the financial year.
35. Increased cost due to the increase in the number of conferences held in the second quarter of the financial year.
36. This is the estimated cost of the annual external audit and the annual business insurance. The business insurance cover includes plant and equipment, business interruption and general liability.
37. Increase due to prior year surplus cash assets carrying over.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
38. Decrease in estimated grant revenue.
39. Decrease in bank interest received due to decreasing bank balance.
40. Decrease in employee expenses is due to less casual staff required.
41. Increase reflects the normalisation of the number of conferences held. 2010-11 had an increased number of conferences.
42. This is the estimated cost of the annual external audit and the annual business insurance. The business insurance cover includes plant and equipment, business interruption and general liability.
43. Decrease due to the expenditure of the surplus cash assets that were carried over from prior years.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
44. Decrease in estimated grant revenue.
45. Decrease in bank interest received due to decreasing bank balance.
46. Decrease in employee expenses is due to less casual staff required.
47. Decrease reflects the normalisation of the number of conferences held. 2010-11 had an increased number of conferences.
48. Decrease reflects the normalisation of the number of conferences held. 2010-11 had an increased number of conferences.
49. Decrease due to the expenditure of the surplus cash assets that were carried over from prior years.

Residential Tenancies Authority

OVERVIEW

The Residential Tenancies Authority (RTA) is a statutory authority established under the *Residential Tenancies and Rooming Accommodation Act 2008*, accountable to a Board of Directors, and under the portfolio responsibility of the Minister for Community Services and Housing and Minister for Women. The RTA administers the *Residential Tenancies and Rooming Accommodation Act 2008* which regulates the residential rental sector in Queensland.

The RTA is committed to achieving the Queensland Government's ambitions as outlined in *Toward Q2: Tomorrow's Queensland* by providing quality client services within a legislative framework that balance the rights and responsibilities of all parties in the residential rental sector. The RTA assists parties to residential tenancies through the management of rental bonds, tenancy information, dispute resolution and compliance activities.

The Queensland rental market continues to grow, primarily due to population growth. The RTA continues to build its capacity to effectively inform, regulate and support the sector as demand for core services increase.

REVIEW OF PERFORMANCE

Recent achievements

In 2010-11, the RTA:

- provided $4.3 million to the Department of Communities to support the Tenant Advice and Advocacy Service (Queensland)
- developed the Residential Tenancies and Rooming Accommodation Amendment Bill 2011, which was introduced to Parliament in May 2011, to implement national uniform law on tenancy databases in Queensland
- responded efficiently to the January 2011 flood crisis to re-establish services and provide support to clients through timely and targeted information
- provided $2 million to the Department of Communities for housing support to people affected by natural disasters.

Future developments

In 2011-12, the RTA will:

- progress a major program to improve service capability by updating business systems supporting RTA's core service functions to meet the future needs of RTA's clients and the rental sector
- provide $5 million to the Department of Communities to support the Tenant Advice and Advocacy Service (Queensland)
- promote awareness of legislative changes introduced by the Residential Tenancies and Rooming Accommodation Amendment Bill 2011 to implement national uniform law on tenancy databases in Queensland.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
	2	167	173	180

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. Increased staff numbers primarily due to development work on client systems.

PERFORMANCE STATEMENT

Service standards	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Proportion of disputes lodged resolved after parties participated in conciliation process		65%	67%	65%
Proportion of investigations finalised successfully		90%	95%	90%
Average return on investment		6.0%	6.6%	6.5%
Total cost for RTA output (excluding grants) as a proportion of the value of bonds held	1	4.3%	4.4%	4.9%
Other measures				
Bond lodgements		243,000	254,000	260,000
Claims forms received (Forms 3 - 6)		353,000	348,000	350,000
Call centre calls answered		368,000	354,000	354,000
Dispute resolution requests (Form 16)		20,060	20,300	20,700
Investigations (into non-compliance) commenced		500	500	500
User sessions on website		1,200,000	1,200,000	1,200,000
Proportion of bond refunds (lodged through Australia Post) processed within 15 minutes		95%	99%	95%
Proportion of bond refunds (via mail or counter) processed within 2 working days		85%	90%	85%
Proportion of bond lodgements processed within 2 working days	2	95%	98%	95%
Proportion of contact centre calls answered within 120 seconds		85%	90%	85%

Service standards	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Proportion of disputes finalised within 28 days of receipt		80%	90%	80%
Proportion of investigations finalised within six months of commencement		90%	95%	90%
Australia Post agencies operating as RTA Agents		578	578	578
State contribution ($000)		**..**	**..**	**..**
Other revenue ($000)		**34,063**	**38,783**	**40,919**
Total cost ($000)		**28,730**	**31,957**	**37,157**

Notes:
1. Increased costs for development work on client systems.
2. This wording has changed from *Proportion of bond lodgements processed within 1 working day* to *Proportion of bond lodgements processed within 2 working days* as this more accurately reflects the time taken to process bond lodgements.

INCOME STATEMENT

Residential Tenancies Authority	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
User charges		..	..	..
Grants and other contributions		..	..	..
Other revenue	1,4	34,063	38,783	40,919
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**34,063**	**38,783**	**40,919**
Expenses				
Employee expenses	5,9	13,554	13,668	16,006
Supplies and services	2,6,10	8,963	10,071	12,691
Grants and subsidies	3,7	4,853	6,842	6,477
Depreciation and amortisation	8,11	1,263	1,285	1,884
Finance/borrowing costs		..	..	..
Other expenses		30	31	32
Losses on sale/revaluation of property, plant and equipment and investments		67	60	67
Total expenses		**28,730**	**31,957**	**37,157**
OPERATING SURPLUS/(DEFICIT)		**5,333**	**6,826**	**3,762**

STATEMENT OF CHANGES IN EQUITY

Residential Tenancies Authority	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		5,333	6,826	3,762
Total recognised income and expense for the period		**5,333**	**6,826**	**3,762**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**5,333**	**6,826**	**3,762**

BALANCE SHEET

Residential Tenancies Authority	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets		41,302	42,958	42,384
Receivables	16	715	983	1,323
Other financial assets	12,17,21	597,251	574,730	626,730
Inventories		..	..	..
Other		321	236	236
Non-financial assets held for sale		..	..	..
Total current assets		**639,589**	**618,907**	**670,673**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		8,431	7,636	7,298
Intangibles		4,193	5,459	7,077
Other		2	..	..
Total non-current assets		**12,626**	**13,095**	**14,375**
TOTAL ASSETS		**652,215**	**632,002**	**685,048**
CURRENT LIABILITIES				
Payables	13,18,22	600,982	574,643	623,878
Accrued employee benefits		1,498	1,260	1,522
Interest-bearing liabilities and derivatives		6	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**602,486**	**575,903**	**625,400**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		2,004	1,725	2,005
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	14,19	..	4,361	3,868
Total non-current liabilities		**2,004**	**6,086**	**5,873**
TOTAL LIABILITIES		**604,490**	**581,989**	**631,273**
NET ASSETS/(LIABILITIES)		**47,725**	**50,013**	**53,775**
EQUITY				
Capital/contributed equity		..	..	..
Accumulated surplus/(accumulated deficit)		43,477	50,013	53,775
Reserves:				
- Asset revaluation surplus	15,20	4,248	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**47,725**	**50,013**	**53,775**

CASH FLOW STATEMENT

Residential Tenancies Authority	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges		(47)	(40)	(47)
Grants and other contributions		..	..	..
Other	23,29	33,983	38,459	40,579
Outflows:				
Employee costs	30,33	(12,960)	(13,331)	(15,464)
Supplies and services	24,31,34	(8,963)	(9,982)	(12,691)
Grants and subsidies	25,32	(4,853)	(6,842)	(6,477)
Borrowing costs		..	..	..
Other	26,35	53,166	40,214	48,710
Net cash provided by/(used in) operating activities		**60,326**	**48,478**	**54,610**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		15	15	16
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	27,36	(1,491)	(349)	(3,200)
Payments for investments	28,37	(50,000)	(45,000)	(52,000)
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(51,476)**	**(45,334)**	**(55,184)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**8,850**	**3,144**	**(574)**
Cash at the beginning of financial year		**32,452**	**39,814**	**42,958**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**41,302**	**42,958**	**42,384**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
1. Increase in other revenue due to higher than expected return on investments.
2. Increase in supplies and services primarily due to the development of core client systems.
3. Increase in grants and subsidies due to special grant payment to the Department of Communities for housing support to households affected by natural disasters.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
4. Increase in other revenue due to higher than expected return on investments.
5. Increase in employee expenses primarily due to staffing costs associated with the development of core client systems and increased wage rates.
6. Increase in supplies and services primarily due to the development of core client systems.
7. Increase in grants and subsidies primarily due to one-off grant for the Lady Bowen Trust.
8. Increase in depreciation and amortisation due to the completion of internally generated software projects.

Major variations between 2010-11 Estimated Actual and the 2011-12 Estimate include:
9. Increase in employee expenses primarily due to staffing costs associated with the development of core client systems and increased wage rates.
10. Increase in supplies and services primarily due to the development of core client systems.
11. Increase in depreciation and amortisation due to the completion of internally generated software projects.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
12. Decrease in other financial assets due to lower than expected growth in rental bond holdings primarily as a result of rent levels stabilising, resulting in lower balances on investments.
13. Decrease in payables due to lower than expected growth in rental bond holdings primarily as a result of rent levels stabilising.
14. Increase in other non-current liabilities due to the revised treatment of accounting for lease liabilities.
15. Decrease in asset revaluation due to the reclassification of buildings to investment assets.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
16. Increase in receivables due to higher than anticipated interest receivable.
17. Increase in other financial assets due to anticipated growth in rental bond holdings resulting from growth in rental sector.
18. Increase in payables due to anticipated growth in rental bond holdings resulting from growth in the rental sector.
19. Increase in other non-current liabilities due to the revised treatment of accounting for lease liabilities.
20. Decrease in asset revaluation due to the reclassification of buildings to investment assets.

Major variations between 2010-11 Estimated Actual and the 2011-12 Estimate include:
21. Increase in other financial assets due to anticipated growth in rental bond holdings resulting from growth in the rental sector.
22. Increase in payables due to anticipated growth in rental bond holdings resulting from growth in the rental sector.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
23. Increase in other revenue due to higher than expected return on investments.
24. Increase in supplies and services primarily due to commencement of the development of core client systems.
25. Increase in grants and subsidies due to special grant payment to the Department of Communities for housing support to households affected by natural disasters.
26. Decrease in other outflows due to lower than expected growth in rental bond holdings primarily as a result of rent levels stabilising.
27. Decrease in payments for property, plant and equipment and intangibles due to completion of internally generated software projects.
28. Decrease in payments for investments due to lower than expected growth in rental bond holdings, resulting in lower balances on investments.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
29. Increase in other revenue due to increase in expected return on investments.
30. Increase in employee costs primarily due to staffing costs associated with the development of core client systems and increased wage rates.
31. Increase in supplies and services primarily due to the development of core client systems.
32. Increase in grants and subsidies primarily due to one-off grant for the Lady Bowen Trust.

Major variations between 2010-11 Estimated Actual and the 2011-12 Estimate include:
33. Increase in employee costs primarily due to staffing costs associated with the development of core client systems and increased wage rates.
34. Increase in supplies and services primarily due to the development of core client systems.
35. Increase in other outflows due to anticipated growth in rental bond holdings.
36. Increase payments for property, plant and equipment and intangibles due to the development of core client systems.
37. Increase payments for investments due to anticipated growth in rental bond holdings and subsequent growth in investments.

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PART 13

Department of Education and Training

Summary of departmental portfolio budgets

Page	Agency	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
3-56	Department of Education and Training - controlled	7,475,163	7,582,422	8,123,211
	Department of Education and Training - administered	2,624,611	2,657,450	2,438,103
3-87	Gold Coast Institute of TAFE	63,868	65,751	68,019
3-94	Queensland Studies Authority	42,174	44,749	44,975
3-101	Southbank Institute of Technology	127,190	95,438	108,822

Note:
1. Explanations of variances are provided in the financial statements

DEPARTMENTAL OVERVIEW

MINISTERIAL RESPONSIBILITY

The Minister for Education and Industrial Relations and the Minister for Employment, Skills and Mining are responsible for the Department of Education and Training and a number of statutory authorities including Queensland Studies Authority, Southbank Institute of Technology and the Gold Coast Institute of TAFE.

STRATEGIC ISSUES

The department supports the delivery of quality education and training across the continuum of learning, through early childhood education and care, schooling, training and higher education. The department leads the *Towards Q2: Tomorrow's Queensland* Smart ambition - *delivering world class education and training* and is working towards delivering the 2020 targets:

- *all children will have access to a quality early childhood education so they are ready for school*
- *three out of four Queenslanders will hold trade, training or tertiary qualifications.*

The department pursues three strategic objectives for Queensland to deliver the Smart ambition:

- Queensland children will have access to quality early childhood education and care
- every young Queenslander will be prepared with the educational foundations to support successful transitions to further education, training and work
- Queenslanders will be skilled to maximise their opportunities and productively contribute to Queensland's economy.

The Queensland Government is committed to giving all Queenslanders access to the best possible education, regardless of where they live.

To support this, the Government will introduce the *Flying Start* suite of initiatives to address three key educational priorities:

- getting ready for school
- getting ready for secondary
- boosting the performance for all schools.

Parents and carers have a key role in developing early literacy to help children get ready for school. The department will continue to promote the role of parents through providing training and resources, including extending the Queensland Ready Readers program.

The most significant educational reform will be the transition of Year 7 to secondary schooling from 2015. This will enhance the educational opportunities for Queensland students under the Australian Curriculum including access to specialist teachers and facilities which will position Year 7 students to maximise their academic potential and support their developmental needs.

The Government will create a single independent education standards authority in Queensland, which will bring together and expand the functions of the Queensland Studies Authority and the Non-State Schools Accreditation Board to develop shared high standards for all Queensland schools.

The Queensland Government is committed to ensuring access to quality trade, training and tertiary education so that Queenslanders have opportunities to gain post-secondary qualifications that provide them with the skills needed to help drive the Queensland economy. The Queensland Government has established Skills Queensland to provide industry leadership of the skills system and drive the State's response to workforce development needs.

In addition, the department will:

- continue to implement the Government's commitment to universal access to early childhood education
- work with the Queensland Studies Authority and the schooling sectors to progressively implement the Australian Curriculum
- focus on improving attendance, retention and attainment outcomes of Aboriginal and Torres Strait Islander students through the continued implementation of the department's *Closing the Gap Education Strategy*
- continue to assist with rebuilding Queensland after the natural disasters through reconstruction of school and training infrastructure, financially assisting early childhood education and care services and supporting Queensland industries, businesses, apprentices and trainees to continue to increase their skills through the Queensland Natural Disasters Jobs and Skills package and other training initiatives
- work with the Australian Government through partnerships in the areas of early childhood development and early childhood education and care, Indigenous participation, improving teacher quality, literacy and numeracy, better outcomes for schools in low socio-economic communities, school infrastructure, digital education, improving youth attainment and transitions, skills and workforce development as well as supporting reforms in the tertiary education sector.

2011-12 HIGHLIGHTS

In 2011-12 the department will invest $8.799 billion in recurrent funding and $578.6 million in infrastructure.

School Education

The department will invest $7.154 billion in recurrent funding to deliver education in Queensland state schools and support school education in Queensland non-state schools to prepare young people for successful transitions to further education, training and work.

The Government will provide additional capital funding for state schools totalling $328.2 million over four years from 2011-12 to implement the Flying Start suite of initiatives which introduces Year 7 as the first year of secondary school commencing from 2015.

The Government is providing additional funding of $293.8 million over five years to implement the Flying Start suite of initiatives, including funding of $81 million in the form of capital assistance to the non-state sector. Initiatives include supporting the role of parents and carers in developing early literacy, introducing Year 7 as the first year of secondary schooling and establishing a single independent education standards authority for all Queensland schools.

Highlights in 2011-12 include:

- $9.6 million to progress the implementation of the *Flying Start* suite of initiatives including:
  - commencing preparations in state schools from 2012 in readiness for introducing Year 7 as the first year of secondary from 2015;
  - supporting teachers including professional development and scholarships;
  - promoting the role of parents and carers in developing early literacy;
  - recruiting and training up to 3,000 volunteers to become Queensland Ready Readers to assist young readers in classrooms across the State to build their confidence in, and enjoyment of, reading; and
  - support the non-government school sectors in the lead up to 2015.
- up to 300 full-time equivalent (FTE) additional teachers and teacher aides to meet enrolment growth and to support students with special needs in Queensland state schools
- $24.5 million for an additional 5,000 teacher aide hours per week (totalling an additional 15,000 hours since 2008-09) to complete the Government's $43 million three-year commitment to allocate an additional 15,000 hours of teacher aide time each week to support primary students from Prep to Year 7
- progressively implementing the Australian Curriculum in English, maths and science from 2012 including the development of curriculum plans and resources and professional development to teachers across the State
- funding of $3 million to complete the $12 million commitment to finalise the implementation of the Queensland Curriculum Assessment and Reporting Framework
- $57.5 million as part of the Australian Government's contribution to state schools involved in the Low Socio-economic Status School Communities National Partnership to continue implementation of targeted strategies to improve student learning outcomes
- $6.3 million for literacy and numeracy projects over three years under the Australian Government's Closing the Gap (expansion of intensive literacy and numeracy) initiative to improve the literacy and numeracy outcomes of Aboriginal and Torres Strait Islander students in identified state schools
- continuing to support the Cape York Aboriginal Australian Academy which aims to improve learning outcomes for Indigenous students and support the identity of Indigenous children in the Cape York region
- continuing to implement the Embedding Aboriginal and Torres Strait Islander Perspectives in Schools initiative to strengthen partnerships between schools and local Indigenous communities, support inclusive education and improve the educational outcomes of Aboriginal and Torres Strait Islander students
- providing case management support to assist all Aboriginal and Torres Strait Islander Year 12 students, in all sectors, to successfully transition from schooling to further education, training and/or employment
- implementing the Working Together Against Bullying resources and strategies in collaboration with all education sectors including state wide seminars on anti-bullying and the rollout of the eSmart Schools Cybersafety Framework in state schools
- $8.1 million as part of the Australian Government's contribution to implement a range of targeted strategies aimed at improving student attainment and transitions
- investing over $100 million in the Smart Classrooms initiatives to improve student, teacher and parent access to digital learning materials
- providing more than 64,000 additional computers under the Australian Government's Digital Education Revolution to improve access to Information and Communication Technology for Queensland state school students in Years 9 to 12

- $20 million under the Computers for Teachers program to continue the provision of classroom computers, access to digital learning environments and a comprehensive range of digital tools and resources along with associated professional development to every permanent state school and TAFE institute teacher working two days or more a week
- implementing reforms to teacher pre-service preparation arising from the Review of Teacher Education and School Induction
- $1.8 million to expand the Stephanie Alexander Kitchen Gardens program to a further 25 Queensland primary schools, doubling the number of schools running the program in Queensland
- $26.2 million to complete the rollout of the $72.3 million, three year, Literacy and Numeracy Action Plan including:
  - between 10 and 20 hours of additional intensive teaching each year for Year 3 and 5 students not meeting national minimum standards in literacy and numeracy;
  - 91 FTE literacy and numeracy coaches in 175 schools as part of the Literacy and Numeracy National Partnership;
  - the continuation of Summer Schools to assist Year 5 to 7 students who require additional literacy and numeracy support; and
  - ongoing professional development for teachers to increase their skills and knowledge to assist students requiring additional support.
- $18.6 million to complete the $43.5 million three year Science Spark program including:
  - 15 Regional Science Managers to provide professional development in primary schools to support the teaching of science;
  - 100 Primary Science Facilitators to improve teaching of science in Years 4 to 7; and
  - expansion of the number of Earth Smart Science schools to 1000.

School Education Infrastructure

Significant investment in infrastructure during 2011-12 includes:

- investing $7.5 million, as part of the *Flying Start* suite of initiatives, to prepare for the introduction of Year 7 as the first year of secondary school from 2015 by building, refurbishing and reconfiguring state school classrooms and flexible learning areas, and providing teacher housing to address local needs
- $132.8 million to construct a new school at Mango Hill, continue the relocation of Mer Campus of Tagai State College, undertake staged work at four schools, buy land and provide additional classrooms in growth areas throughout the State
- continuing the South East Queensland (SEQ) Schools Public Private Partnership (PPP) project to build, operate and maintain seven new state schools in high growth areas within South East Queensland to deliver:
  - stage one of a new primary school located at Bundilla on the Sunshine Coast and a new high school at Murrumba Downs for the start of school in 2012; and
  - stage two at Bayview State School at Thornlands South and Peregian Springs State School on the Sunshine Coast for the start of school in 2012.
- $134.8 million for school maintenance including a special allocation of $50 million to address maintenance priorities
- $61.9 million to replace and enhance facilities at existing schools including planning towards the mitigation against natural disasters at schools heavily impacted across Queensland
- $17.9 million to acquire new employee housing and to refurbish and maintain existing housing assets

- $24.9 million to continue the Science and Language Centres and Primary Schools for the 21st Century components to complete the Australian Government's Building the Education Revolution initiative
- allocating $40.1 million of Australian Government funding to upgrade or build new training facilities for schools under the Trade Training Centres in Schools Program in Queensland.

Tertiary Education – Vocational Education and Training (VET) and Higher Education

In 2011-12, the department will invest over $1.408 billion in recurrent funding in the vocational education and training sector and to support higher education. This includes national partnerships with the Australian Government, training and skilling initiatives, Skills Queensland and continued funding for apprenticeships and traineeships, the network of TAFE institutes and private registered training organisations.

Highlights in 2011-12 include:
- funding of $133.7 million as part of the Australian Government's contribution under the National Partnership Agreement on Productivity Places Program to provide a major boost to skilling
- working with Skills Queensland to drive skills investment and reform to strengthen partnerships with industry and to align funding programs with skills and jobs priorities
- continuing the reform of the Queensland TAFE system to increase flexibility and responsiveness to meet the needs of industry and the community
- further developing the skills of teachers in innovative teaching, learning and assessment across the VET sector
- delivering State-wide training and career information services, including recognition of prior learning and career pathways, through Skilling Solutions Queensland and the Apprenticeships Info line
- contributing $9 million towards the Government's Green Army initiative for training projects that have significant environmental and community benefit.

VET Infrastructure

Significant investment in infrastructure during 2011-12 includes:
- $34.9 million to continue the development of the SkillsTech Australia major trade and technical skills campus at Acacia Ridge
- $17.1 million to continue the development of a major trade and technical skills campus at Mackay
- $8.9 million to continue the redevelopment of the Cairns campus of the Tropical North Queensland Institute of TAFE
- $8.7 million to continue the redevelopment of the Nambour Campus of the Sunshine Coast Institute of TAFE
- $4.6 million to continue to redevelop the Bundamba Campus of The Bremer Institute of TAFE
- $5 million to commence redevelopment of the Pimlico Campus of the Barrier Reef Institute of TAFE
- $1.4 million to continue the redevelopment of the Mount Gravatt Campus of the Metropolitan South Institute of TAFE.

Early Childhood Education and Care (ECEC)

The department will invest over $237 million in recurrent funding for 2011-12 to support high quality, integrated early childhood services for all Queensland children.

Highlights in 2011-12 include:

- investing $91 million to support delivery of kindergarten programs in new and existing kindergarten services, as well as kindergarten programs in long day care services
- continuing to build the quality of Queensland early childhood education and care services through the implementation of the National Quality Framework from 1 January 2012 for approximately 2,700 Queensland services
- expanding investment to $4 million over four years for scholarship schemes to support eligible early childhood education and care educators upgrade their qualifications for teacher registration in Queensland
- improving access to early childhood development services for Aboriginal and Torres Strait Island families in Cairns, Doomadgee, Ipswich, Logan, Mackay, Mareeba, Mornington Island, Mount Isa, Palm Island and Rockhampton, a joint initiative with the Australian Government
- continuing to support the delivery of integrated quality early childhood services, and their satellite services, for Queensland families in Early Years Centres in Browns Plains, Caboolture, Cairns and North Gold Coast.

Early Childhood Infrastructure

Significant investment in infrastructure during 2011-12 includes:

- investing $75 million to establish kindergarten services on state school sites, as part of a $321 million commitment to provide up to 240 extra kindergarten services by 2014
- fast-tracking 40 kindergarten services, originally scheduled for 2013 and 2014, as part of a program to construct 85 new services by the end of 2012
- providing a solar panel system to all new kindergartens and eligible existing kindergartens by 2014 under the second year of the $5.8 million four year program
- extending the capacity of integrated early childhood services for families with children from birth to eight years, by investing $3.1 million as part of the $32 million commitment to establish four Early Years Centres and satellite services in Cairns, Acacia Ridge, Beaudesert and Woodford
- investing $24.3 million as part of a $75 million commitment to establish 10 children and family centres to cater for the needs of Indigenous children from birth to eight years at locations including Doomadgee, Mareeba and Mornington Island by 2012, as part of a joint initiative with the Australian Government
- finalising construction of early learning and care centres at Cairns and Gladstone in partnership with the Australian Government
- finalising the commitment to expand child care services in the Bowen Basin mining communities of Dysart, Moura, Blackwater and Middlemount.

RECENT ACHIEVEMENTS

School Education

In 2010-11, the department provided services to 312,760 students in state primary schools, 172,960 students in state secondary schools and 3,470 students in state special schools.

Key initiatives included:

- consulting on the discussion paper *A Flying Start for Queensland Children* and establishing a panel of experts to guide future directions for schools in Queensland
- employing an additional 347 full-time equivalent (FTE) teachers and teacher aides to meet enrolment growth and to support students with special needs in Queensland state schools
- providing an additional 5,000 teacher aide hours per week at a cost of $14.1 million as part of the Government's $43 million three-year commitment to allocate an additional 15,000 hours of teacher aide time each week to support primary students from Prep to Year 7
- embedding into ongoing funding models for schools an additional $10,000 in grant funding for each school with an extra $3,000 per school for schools in disadvantaged areas
- continuing to implement the Government's response to the Masters Review
- launching the Queensland Education Leadership Institute (QELI) to drive professional development and mentoring for principals and teachers
- opening five new Teacher Education Centres of Excellence based at Kelvin Grove State College, Morayfield East State School, Aspley Special School, Benowa State Primary and High Schools and William Ross State High School
- continuing the implementation of the Queensland Curriculum Assessment and Reporting Framework and commenced preparation for the implementation of the Australian Curriculum from 2012
- funding of $34.6 million as part of the Australian Government's contribution to state schools involved in the Low Socio-economic Status School Communities National Partnership to continue implementation of targeted strategies to improve student learning outcomes. This included providing ongoing support for 10 Turnaround Teams to work with school leaders and staff to help lift student performance in over 100 state schools
- implementing the Working Together Against Bullying suite of resources for schools and parents and holding 30 seminars in 10 locations across the State with workshops for school leaders, staff and parents from State, Catholic and Independents schools
- continuing the Every Child Counts program with disadvantaged students in 12 Logan schools, increasing attendance and student outcomes, and the Edmund Rice Bridge Program to provide innovative models of support and early intervention for young people at risk of disengaging from education
- investing $9.8 million to complete the $30 million four-year commitment to implement Australian Sign Language (Auslan) as the language of instruction for deaf/hearing impaired students using signed communication
- providing $2.5 million to complete the $10 million four-year commitment for the Indigenous Education Support Structures pilot operating across five clusters of state schools and a number of non-state schools to improve the attendance, achievement and school completion of Indigenous students
- continuing the implementation of the Smart Classrooms initiatives and Computers for Teachers program to improve student, teacher and parent access to digital learning materials
- investing over $64.8 million in more than 19,800 computers and infrastructure for Queensland state school students in Years 9 to 12, under the Australian Government's Digital Education Revolution
- Implemented the Let's Stay Put mobility program through funding received from the Australian Government to assist schools to implement solution focussed strategies that

respond to, and support the educational and social inclusion of mobile Indigenous students.
- providing over $23.8 million in Closing the Gap Indigenous Education Grants to support the implementation of the Closing the Gap Education Strategy and improve attainment, attendance and retention outcomes of Aboriginal and Torres Strait Islander students.
- investing more than $1.6 million to expand and develop the Indigenous Transition Support Service and continuing the Indigenous Lighthouse Grants programs
- continuing to support state schools to develop strategies to incorporate Aboriginal and Torres Strait Islander perspectives on all aspects of the schooling practice and process through implementation of the Embedding Aboriginal and Torres Strait Islander Perspectives in Schools (EATSIPS) initiative
- commencing the implementation of the Learn, Earn, Legend! Year 12 Destinations initiative in partnership with the Australian Government to assist all Indigenous Year 12 students, in all sectors, to successfully transition from schooling to further education, training and/or meaningful employment
- continuing to work with young people who are at risk of disengaging or already disengaged from education, training or employment including providing support through Youth Support Coordinators.
- trialling by the Queensland College of Teachers, new literacy, numeracy and science tests for pre-service primary school teachers
- implementing the Literacy and Numeracy Action Plan where the department has funded 91 FTE coaches, established 72 Summer Schools sites to improve outcomes for students in Years 5 to 7 requiring additional literacy and numeracy support and provided between 10 and 20 hours of intensive teaching for students not meeting national standards in literacy and numeracy
- continuing the implementation of the Literacy – the Key to Learning: Framework for Action in state schools through the provision of $8 million to provide access to professional development for Prep to Year 9 teachers and early years teacher aides.
- training and deploying up to 3,000 Queensland Ready Readers to be placed in schools to build young readers confidence in, and enjoyment of, reading
- funding 15 Regional Science Managers and 100 FTE Primary Science Facilitators as part of the Science Spark program
- increasing the number of Earth Smart Science Schools from 307 to more than 620, providing professional development for staff to monitor and reduce each school's ecological footprint
- supporting the Science, Technology, Engineering and Mathematics (STEM) working group under the Higher Education Forum to investigate how the higher education sector can contribute to the improvement of STEM education through the selection and training of prospective teachers and the ongoing professional development of existing teachers.

School Education Infrastructure

Significant investment in infrastructure during 2010-11 included:
- investing $211.8 million to complete the State Schools of Tomorrow Program, to deliver new and renewed facilities
- funding of $44.9 million to open new primary and high schools at Springfield Central
- relocating Federal State School, acquiring land, undertaking staged work at two schools and providing additional classrooms in growth areas throughout the State
- opening Coomera Rivers State School at East Coomera, Augusta State School at Augustine Heights and WoodLinks State School at Collingwood Park as part of the South East Queensland Schools $1.1 billion Public Private Partnership project

- investing $101 million in school maintenance including $21.5 million towards the removal of asbestos from Queensland state schools
- investing $97.7 million to replace and enhance facilities at existing schools including schools damaged by natural disasters
- investing $6.1 million to continue the solar and energy efficiency program in schools
- investing $10.8 million to acquire new employee housing and refurbish existing housing assets
- allocating $12.5 million, including the prioritisation of $5 million from the State Schools of Tomorrow program, for maintenance of employee housing
- investing $841.5 million to deliver projects, as part of the National School Pride, Science and Language Centres, and Primary Schools for the 21st Century components of the Australian Government's Building the Education Revolution initiative
- allocating $44.6 million of Australian Government funding to upgrade or build new training facilities for schools under the Trade Training Centres in Schools Program in Queensland
- providing $50 million to assist non-state schools that cater for disengaged young people to build new schools or to upgrade or extend existing school facilities.

Tertiary Education - VET and Higher Education

In 2010-11, over 285,000 students were enrolled in vocational education and training and over 60,000 students will have completed qualifications at the highly valued levels of Certificate III and above through the TAFE and statutory TAFE institute network and government funded training at private registered training organisations.

Key initiatives included:

- establishing Skills Queensland to provide industry with leadership for skills and workforce development
- working with Skills Queensland and the Department of Employment, Economic Development and Innovation to implement the Queensland Natural Disasters Jobs and Skills Package to provide training opportunities to flood and cyclone affected Queenslanders
- delivering career information and training referral services to over 30,000 Queenslanders through Skilling Solutions Queensland, with over 11,000 being referred for recognition of prior learning
- funding of $4.8 million to formally recognise the skills and experience of individuals in trades and other occupations through recognition of prior learning
- contributing $9 million to the Government's Green Army initiative for training projects that have significant environmental and community benefit
- providing over 2,400 individuals with a tailored Skilling Solutions Queensland service for the construction industry, in partnership with Construction Skills Queensland and the Energy Industry that focuses on 'green' qualifications
- working with Skills Queensland to achieve more than 1,180 enrolments under the four year Green Building Skills Fund to assist building and construction industry participants to gain a better understanding of green building practices
- achieving more than 1,900 enrolments under the Pre-apprenticeship Skilling Pathway implemented to assist prospective apprentices with employment opportunities
- investing in targeted professional development to ensure VET teachers have the skills to deliver innovative teaching, learning and assessment across the Queensland VET sector
- working with the Australian Government to create additional training places under the National Partnership Agreement on Productivity Places Program

- enabling Queensland to have a high participation in VET in Schools programs with over 50% of national School-Based Apprentice and Trainee (SATs) commencements
- working with Skills Queensland to support a range of industry engagement models that promote industry leadership of skills formation and workforce development
- leading the development of workforce development strategies in Gladstone and the Surat Basin that respond to major resource and infrastructure projects underway to maximise opportunities for Queensland workers
- launching the Gladstone Workforce Skilling Strategy a joint project of the Australian and Queensland Governments and Energy Skills Queensland, to assist unemployed people to obtain jobs in the Coal Seam Gas/Liquefied Natural Gas (CSG-LNG) industry
- working with Skills Queensland and the CSG-LNG industry to implement the Industry Training Program with a total commitment of $5 million to be matched by industry
- continuing to tailor specific support to meet the training and education needs of Aboriginal and Torres Strait Islander Queenslanders through:
  - completing the four-year Training Initiatives for Indigenous Adults in Regional and Remote Communities Program, a joint dollar-for-dollar State-Australian Government initiative;
  - identifying Aspirations to Employment for Aboriginal and Torres Strait Islander people through models for education, training and employment pathways to progress the Aboriginal & Torres Strait Islander Health Clinical Task Group agenda; and
  - launching an Indigenous Higher Education Action Plan.
- working with universities to innovatively collaborate with schools to raise young people's aspirations for tertiary education using uniform materials and processes.

VET Infrastructure

Significant investment in infrastructure during 2010-11 included:
- $37.4 million for the continued development of the SkillsTech Australia major trade and technical skills campus at Acacia Ridge
- $16.7 million to continue the redevelopment of the Cairns Campus of the Tropical North Queensland Institute of TAFE
- $13.6 million to complete the $26.9 million Coomera Education precinct of the Gold Coast Institute of TAFE
- $10.5 million, funded jointly by the Queensland and Australian Governments and Ports North, to complete the Great Barrier Reef International Marine College in Cairns
- $4.3 million to continue the refurbishment of The Bremer Institute of TAFE at the Bundamba campus as part of the State and Australian Governments' commitment to modernise TAFE campuses across the State.

Early Childhood Education and Care (ECEC)

In 2010-11, key initiatives included:
- providing $55.5 million to support the delivery of kindergarten programs in community kindergarten services, kindergarten services operated by non-state schools and long day care services. Of this, $11.2 million was allocated to fund more than 340 long day care services to deliver a kindergarten program to up to 9,700 four year olds
- delivering pre-prep early learning programs across 35 Indigenous communities
- releasing the Queensland Kindergarten Learning Guideline developed by the Queensland Studies Authority, providing clear expectations for the delivery of approved kindergarten programs across the State
- offering 108 scholarships to eligible early childhood education and care educators to upgrade their qualifications for teacher registration in Queensland

- developing an Early Childhood Education and Care Workforce Action Plan 2010-13 and investing $1.4 million to support strategies to increase the professional standing of the sector and the supply of qualified educators
- consulting the community on the draft National Quality Framework National Regulations, including 19 public forums across Queensland, in partnership with the Australian Government
- trialling the new National Quality Framework assessment and ratings process against new national standards in preparation for commencement on 1 January 2012
- promoting the benefits of participation in kindergarten programs and encouraging parents to enrol their children in an approved kindergarten program through a state-wide awareness campaign
- investing $8.1 million to provide integrated early childhood services to Queensland families with children from birth to eight years through existing Early Years Centres and a new centre in Cairns
- amending the *Child Care Regulation 2003* to allow services in disaster affected areas to apply for a refund or waiver of certain licensing fees.

Early Childhood Infrastructure

Significant investment in infrastructure during 2010-11 included:
- $20 million for extra kindergarten services on state school sites at Beachmere, Beaconsfield, Carina, Crestmead, Deception Bay, Fairview Heights, Flagstone, Gaven, Sunset (Mt Isa), Mudgeeraba, Oonoonba, Rochedale South, Seaforth, Slade Point, Tin Can Bay and Woodford
- commencing the program to provide a solar panel system to all new kindergartens and eligible existing kindergartens by 2014
- funding of $26 million, including $1.8 million from the Australian Government, to Queensland Catholic Education Commission and Independent Schools Queensland to establish 28 extra kindergarten services on non-state school sites across the state by 2013
- $2.4 million in construction and refurbishment of Early Years Centres facilities at Browns Plains and Caboolture
- funding support to establish a new kindergarten service at Oakleigh State School and refurbish an existing community kindergarten service at The Gap
- expanded child care capacity at Blackwater and Moranbah as part of the Government's Sustainable Mining Communities initiative.

DEPARTMENTAL SERVICES

Our service areas are:

Early Childhood Education and Care

Providing children with access to quality early childhood education and care through establishing and funding kindergarten and integrated early years services as well as a range of parent and family support programs, and regulating, approving and quality assessing early childhood services.

School Education

Delivering Preparatory to Year 12 in Queensland state schools to prepare young people for successful transitions into further education, training and/or work and administering funding for Queensland non-state schools.

Tertiary Education – VET and Higher Education

Supporting the skilling needs of Queensland through the funding, delivery and quality assurance of vocational education and training and providing support to higher education providers.

STAFFING[1]

Service areas	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
Early Childhood Education and Care	2	206	219	232
School Education	3	57,840	58,711	59,188
Tertiary Education – VET and Higher Education	4,5	7,156	6,942	7,001
Total		**65,202**	**65,872**	**66,421**

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. FTE for Early Childhood Education and Care include DET employees in central office and regional locations.
3. FTEs for School Education include all program funded, Australian Government funded, school funded employees and long service leave numbers.
4. FTEs for Tertiary Education – VET and Higher Education include FTEs for the TAFE statutory authorities. Some Central Office Units and teams previously identified with this Service Area have moved into general areas of the DET structure during 2010-11 and are now included in the School Education Service area.
5. FTEs include employees utilised by the Gold Coast Institute of TAFE and Southbank Institute of Technology.

2011-12 SERVICE SUMMARY[1]

Service areas	Total cost $'000	Sources of revenue			
		State Contribution $'000	User charges $'000	C'wealth revenue $'000	Other revenue $'000
Early Childhood Education and Care	237,685	134,000	..	102,832	853
School Education[2]	6,487,248	5,206,716	43,214	948,286	289,032
Tertiary Education – VET and Higher Education	1,398,278	726,275	142,964	396,520	132,519
Total	**8,123,211**	**6,066,991**	**186,178**	**1,447,638**	**422,404**

Notes:
1. Explanations of variances are provided in the financial statements.
2. School Education also includes the Office of Non-State Schooling.

ADMINISTERED ITEMS

The department maintains a strong and active relationship with the portfolio's statutory authorities, government-supported entities and community organisations to deliver education and training programs that support whole-of-Government priorities and build effective working relationships.

DESCRIPTION

The Queensland Government provides financial assistance to non-state schools for both capital and recurrent purposes. In 2011-12 a total of $574.5 million in State-funded recurrent and capital grants will be directed to non-state schools. The department also administers Australian Government funds received for non-state schools in Queensland.

Programs administered in 2011-12 also include:

- $0.34 million in financial support to student hostels
- $3.6 million to community organisations for the provision of specialist support for students with special needs. Funding agreements exist with non-government organisations including:
  - Autism Queensland;
  - Centre Education program;
  - Childhood Language and Related Disorders;
  - Hear and Say;
  - Noah's Ark Resource Centre;
  - Royal Queensland Bush Children's Health Scheme;
  - Down Syndrome Association of Queensland;
  - Specific Education Learning Disabilities (SPELD); and
  - Spina Bifida Hydrocephalus Queensland.

Recurrent funding of $9.9 million will be provided to Skills Queensland which was established to provide industry with leadership for skills and workforce development.

Financial statements in relation to Administered Items on behalf of the whole-of-Government appear in the financial statements section.

ADMINISTERED ITEMS STATEMENT

Department of Education and Training	Notes	2010-11 Budget $'000	2010-11 Est. Act. $'000	2011-12 Estimate $'000
STATE FUNDING				
Assistance to non-state sector				
Assistance to non-state schools				
Recurrent funding for non-state schools				
General recurrent grants	4,12	467,114	467,114	516,597
Grammar school endowments		164	164	164
School Transport		4,696	4,728	4,870
Total recurrent funding for non-state schools		**471,974**	**472,006**	**521,631**
Capital assistance for non-state schools				
Capital assistance	5,13	95,982	95,982	47,487
External Infrastructure		5,393	5,393	5,393
Total capital assistance for non-state schools		**101,375**	**101,375**	**52,880**
Total assistance for non-state schools		**573,349**	**573,381**	**574,511**
Assistance to other non-state sector				
Community kindergarten assistance scheme				
Recurrent	1,6	43,704	..	..
Capital		189	..	..
Total Community kindergarten assistance scheme		**43,893**	**..**	**..**
Student Hostels				
Recurrent		254	230	238
Capital		100	100	100
Total Student Hostels		**354**	**330**	**338**
Living away from home allowances		6,652	6,271	6,492
Textbook and resource allowances	7,14	16,540	16,521	17,586
Weekend and vacation travel		44	44	44
Community Organisations		3,434	3,457	3,561
Non-state Accreditation Board		54	54	54
Total Assistance to other non-state sector		**70,971**	**26,677**	**28,075**
Total Assistance to non-state sector		**644,320**	**600,058**	**602,586**
Other				
Textbook and resource allowance - state	8,15	27,497	27,798	28,496
Queensland Studies Authority	9,16	32,413	32,413	33,437
Skills Queensland	2,10,17	..	4,783	9,942
Other		100	100	1,772
TOTAL STATE FUNDING		**704,330**	**665,152**	**676,233**

Department of Education and Training	Notes	2010-11 Budget $'000	2010-11 Est. Act. $'000	2011-12 Estimate $'000
AUSTRALIAN GOVERNMENT ASSISTANCE TO NON-STATE EDUCATION	3,11,18	1,920,281	1,992,298	1,761,870
TOTAL ADMINISTERED ITEMS		**2,624,611**	**2,657,450**	**2,438,103**

Notes:
Major variations between 2010-11 Budget and 2010-11 Estimated Actual include:
1. Decrease due to the transfer of the Community Kindergarten Assistance Scheme to controlled funding from July 2010 under the combined State and Australian Government funding of kindergartens under the Universal Access program.
2. Part year funding in relation to the establishment of the new Skills Queensland statutory authority as from January 2011.
3. Increase due to Australian Government funding for non-government schools.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
4. Increase due to the flow on impact of increased expenditure for state schools.
5. Decrease due to the impact of a one-off State capital contribution in 2010-11 for new schools or for the extension of existing facilities to cater specifically for disengaged young people.
6. Decrease due to the transfer of the Community Kindergarten Assistance Scheme to controlled funding from July 2010 under the combined State and Australian Government funding of kindergartens under the Universal Access program.
7. Increase due to the net impacts of student enrolment movement and CPI indexation.
8. Increase due to the net impacts of student enrolment movement and CPI indexation.
9. Increase due to the provision of enterprise bargaining outcomes.
10. Full year funding in relation to the establishment of the new Skills Queensland statutory authority from January 2011.
11. Decrease due to Australian Government funding for non-government schools including the winding down of the non-state element of the Building the Education Revolution program, offset by an increase in specific purpose funding.

Major variations between 2010-11 Estimated Actual and 2011-12 Estimate include:
12. Increase due to the flow on impact of increased expenditure for state schools.
13. Decrease due to the impact of a one-off State capital contribution in 2010-11 for new schools or for the extension of existing facilities to cater specifically for disengaged young people.
14. Increase due to the net impacts of student enrolment movement and CPI indexation.
15. Increase due to the net impacts of student enrolment movement and CPI indexation.
16. Increase due to the provision of enterprise bargaining outcomes.
17. Impact of full year funding for the establishment of the new Skills Queensland statutory authority from January 2011.
18. Decrease due to Australian Government funding for non-government schools including the winding down of the non-state element of the Building the Education Revolution program, offset by an increase in specific purpose funding.

DEPARTMENTAL STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Early Childhood Education and Care - Service standards				
Proportion of Queensland children enrolled in a quality kindergarten program	1,2,3	36%	40%	65%
Other measures				
Access				
Proportion of enrolments in a quality kindergarten program:	3,4			
• Indigenous children	5	33%	35%	47%
• Children in disadvantaged communities	6,7	55%	38%	65%
Regulation				
Proportion of complaints relating to serious safety breaches in licensed child care services that are responded to within two working days		100%	100%	100%
State contribution ($000)		**82,922**	**106,118**	**134,000**
Other revenue ($000)		**35,959**	**35,752**	**103,685**
Total cost ($000)		**118,881**	**141,870**	**237,685**
Service Area: School Education - Service standards				
Literacy and numeracy outcomes				
Year 3 Test – Proportion of students at or above the National Minimum Standard:	8, 9,10			
All students:				
• Reading		92%	89.3%	92%
• Writing		93%	89.5%	93%
• Numeracy		92%	91.3%	94%
Indigenous students:	5	79%	77.8%	81%
• Reading		76%	75.4%	78%
• Writing		73%	79.5%	83%
• Numeracy				
Year 5 Test – Proportion of students at or above the National Minimum Standard:	8, 9,10			
All students:				
• Reading		88%	82.7%	88%
• Writing		90%	86.8%	90%
• Numeracy		93%	90.0%	93%
Indigenous students:	5	66%	62.1%	66%
• Reading		70%	68.9%	72%
• Writing		78%	72.4%	78%
• Numeracy				

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Year 7 Test – Proportion of students at or above the National Minimum Standard:	8, 9,10			
All students:				
• Reading		93%	91.7%	94%
• Writing		91%	89.6%	92%
• Numeracy		95%	94.0%	95%
Indigenous students:	5			
• Reading		76%	77.3%	80%
• Writing		72%	75.1%	78%
• Numeracy		85%	82.4%	85%
Year 9 Test – Proportion of students at or above the National Minimum Standard:	8, 9,10			
All students:				
• Reading		90%	84.7%	90%
• Writing		84%	83.3%	86%
• Numeracy		94%	90.2%	94%
Indigenous students:	5	72%	64.5%	72%
• Reading		63%	66.0%	69%
• Writing		82%	74.2%	82%
• Numeracy				
Attainment outcomes				
Proportion of Year 12 students awarded a QCE	11	71%	75.4%	76%
Proportion of Year 12 students who are completing or have completed a SAT or were awarded one or more of: QCE, IBD or VET qualification	11	90%	91.8%	92%
Proportion of OP/IBD students who received an OP 1 to 15 or an IBD	12	68%	69.0%	70%
Number of students awarded a Queensland Certificate of Individual Achievement (QCIA)		500	481	500
Number of students with disabilities who have completed 12 years of schooling		980	1049	1180
Post schooling destinations				
Proportion of students who, six months after completing Year 12, are participating in education, training or employment	12	88%	85.2%	88%
Cost and satisfaction				
Average cost of service per student				
• Primary (Prep -Year 7)		$10,144	$10,476	$10,957
• Secondary (Year 8- Year 12)		$12,205	$12,551	$13,399
• Students with Disabilities		$26,031	$26,881	$27,631

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Proportion of parents satisfied with their child's school	13	84%	83.5%	84%
State contribution ($000)		**4,819,943**	**4,924,720**	**5,206,716**
Other revenue ($000)		**1,142,585**	**1,192,744**	**1,280,532**
Total cost ($000)		**5,962,528**	**6,117,464**	**6,487,248**
Service Area: Tertiary Education (VET and Higher Education) - Service standards				
VET outcomes				
Proportion of all attempted competencies successfully completed		87%	89%	89%
Proportion of Queenslanders aged 25-64 who hold a Certificate III or higher tertiary qualification	1,14	New measure	54.1%	55%
Proportion of graduates in employment or further study	14	New measure	85%	87%
Cost and satisfaction				
Proportion of graduates satisfied with the overall quality of their training	14	89%	89%	89%
Proportion of employers satisfied with graduates of:	15			
• nationally accredited training		83%	83%	83%
• apprenticeships and traineeships		84%	84%	84%
Average cost per competency successfully completed	17	$720	$683	$711
Other measures				
VET engagement				
Number of 15-19 year olds enrolled in VET at Certificate II and above:				
• All students		75,400	70,800	75,400
• Indigenous students	5,16	4,200	4,500	4,200
Number of commencements:	18			
• Apprenticeships	19	18,000	16,700	18,000
• Traineeships		44,000	47,000	47,000
• School-based Apprenticeships and Traineeships (SATs)	18,20	9,000	9,500	9,000
VET outcomes				
Number of students awarded Certificate III and above:	21			
• All students		60,000	62,000	63,000
• Indigenous students	5	2,300	2,400	2,400
Number of completions:				
• Apprenticeships		12,000	11,500	11,500
• Traineeships		23,500	24,000	24,000
• School-based Apprenticeships and Traineeships (SATs)		4,000	5,000	5,000

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Higher education				
Proportion of stakeholders satisfied with:				
• departmental management of approval processes		80%	93%	80%
• departmental contribution to quality improvement in the higher education sector		90%	100%	90%
State contribution ($000)		**736,566**	**695,625**	**726,275**
Other revenue ($000)		**657,188**	**627,463**	**672,003**
Total cost ($000)		**1,393,754**	**1,323,088**	**1,398,278**

Notes:

1. The Department of Education and Training is the lead department for the *Toward Q2: Tomorrow's Queensland* Smart–Early childhood education and Smart – Qualifications targets. For further information on these T*oward Q2: Tomorrow's Queensland* target measures and their contributing departments, please refer to the Target Delivery Plans found on the www.TowardQ2.qld.gov.au website.
2. The target for 2011-12 is in line with Queensland's aspiration for achieving universal access to a quality kindergarten program.
3. Early Childhood Education Program (quality kindergarten program): A play-based early childhood education program provided by a qualified early childhood teacher to children in the year before school.
4. These proportions are measured by the number of enrolments from each population group as percentage of the total population of 4 year olds in that group in Queensland. The 2006 Census of Population and Housing counts are used for each group.
5. Indigenous: a person of Aboriginal and/or Torres Strait Islander origin who identifies at enrolment to be of Aboriginal and/or Torres Strait Islander origin.
6. Disadvantaged Children: The cohort population that reside in statistical local areas classified by the Australian Bureau of Statistics (ABS) in the bottom 2 deciles using the Index of Relative Socio Economic Disadvantage from the 2006 census.
7. The 2010-11 Estimated actual is based on 2010 data using a methodology which differs from that used in previous years. As a result this methodology aligns with the new Early Childhood Education and Care (Aggregate) National Minimum Data Standards for classifying disadvantage. This new methodology may have substantially underestimated the reported proportions of disadvantaged children in 2010. Over time, with the collection of more individual student level information, accuracy in reporting against this measure will improve.
8. These service standards relate to the State Schooling sector only.
9. From 2008-10, in other nationally reported NAPLAN results, Queensland Year 5, 7 and 9 Mean Scale Scores have improved in 5 out of 5 test areas and Year 3 Mean Scale Scores have improved in 4 out of 5 test areas.
10. NAPLAN National Minimum Standard (NMS) targets represent the aspirational goals for achievement against these measures. They include an element of ambition and should be read in conjunction with other NAPLAN data which show broad improvements.
11. Attainment Outcomes acronyms: IBD – International Baccalaureate Diploma, OP – Overall Position and QCE - Queensland Certificate of Education.
12. 'Student' refers to year 12 completers. This standard is sourced from the *Next Step Survey* conducted by the Department of Education and Training each year.
13. Data is sourced from the School Opinion Survey, conducted by the Department of Education and Training in all State Schools in August each year. Satisfaction is calculated as those responding either satisfied or very satisfied.
14. Data is sourced from the annual National Centre for Vocational Education Research (NCVER) *Student Outcomes Survey*.
15. Employer satisfaction is obtained from the 2009 biennial NCVER survey, Employers' Use and Views of the VET System.
16. The Indigenous 15-19 year old student target reflects the end of Training Initiatives for Indigenous Adults in Regional and Remote Communities (TIFIARRC) Commonwealth funding program and expected impact of economic and labour market conditions.
17. The emphasis on higher level VET qualifications has resulted in more Certificate III and above students successfully completing competencies leading towards an economy of scale in the average cost per competency successfully completed. Movement to higher level courses, in line with Q2 goals, is expected to result in an increase in the cost per successfully completed competency.
18. Apprenticeship and traineeship measures include school-based apprenticeships and traineeships (SATs).
19. Apprenticeship new commencements were impacted by natural disaster events affecting economic activity.
20. The introduction of National Trade Cadetships may impact on Queensland's SATs commencements.
21. Awarded Students: Students who have successfully completed all of the requirements to make them eligible to be awarded the qualification.

INCOME STATEMENT

Department of Education and Training	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue	1,8,17	6,843,379	6,896,693	7,491,677
User charges	9,18	198,943	198,029	186,178
Grants and other contributions	2,10,19	298,552	358,282	309,856
Other revenue	3,20	134,289	129,418	135,500
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**7,475,163**	**7,582,422**	**8,123,211**
Expenses				
Employee expenses	4,11,21	5,131,875	5,348,335	5,547,773
Supplies and services	5,22	1,507,143	1,391,278	1,558,151
Grants and subsidies	12,23	293,116	288,258	377,113
Depreciation and amortisation	13,24	454,852	454,852	519,416
Finance/borrowing costs	14,25	31,645	32,384	41,212
Other expenses	6,15,26	56,532	48,126	59,546
Losses on sale/revaluation of property, plant and equipment and investments	7,16	..	19,189	20,000
Total expenses		**7,475,163**	**7,582,422**	**8,123,211**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

STATEMENT OF CHANGES IN EQUITY

Department of Education and Training	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve	27,29	304,769	389,516	389,566
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**304,769**	**389,516**	**389,566**
Surplus/(deficit) for the period		..	..	..
Total recognised income and expense for the period		**304,769**	**389,516**	**389,566**
Equity injection/(withdrawal)	28,30,31	818,587	1,003,371	(16,661)
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**1,123,356**	**1,392,887**	**372,905**

BALANCE SHEET

Department of Education and Training	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	32,44,56	254,520	584,433	404,148
Receivables	33,45	124,804	139,773	139,504
Other financial assets		..	..	..
Inventories		2,653	2,777	2,777
Other	34,46,57	106,428	53,605	35,053
Non-financial assets held for sale	35,47	30,325	81,930	81,930
Total current assets		**518,730**	**862,518**	**663,412**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	36,48,58	19,913,042	18,931,296	19,353,703
Intangibles	37,49,59	18,111	38,763	22,125
Other		..	..	..
Total non-current assets		**19,931,153**	**18,970,059**	**19,375,828**
TOTAL ASSETS		**20,449,883**	**19,832,577**	**20,039,240**
CURRENT LIABILITIES				
Payables	38,50,60	385,900	655,017	430,017
Accrued employee benefits		81,021	82,405	85,694
Interest-bearing liabilities and derivatives	39,51,61	184,773	6,484	12,660
Provisions		695	613	613
Other	40,52	98,104	71,898	71,898
Total current liabilities		**750,493**	**816,417**	**600,882**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives	41,53,62	238,228	441,436	490,729
Provisions		304	277	277
Other		..	..	..
Total non-current liabilities		**238,532**	**441,713**	**491,006**
TOTAL LIABILITIES		**989,025**	**1,258,130**	**1,091,888**
NET ASSETS/(LIABILITIES)		**19,460,858**	**18,574,447**	**18,947,352**
EQUITY				
Capital/contributed equity	42,54	4,917,025	5,035,161	5,018,500
Retained surplus/(accumulated deficit)		40,472	41,725	41,725
Reserves:				
- Asset revaluation surplus	43,55,63	14,503,361	13,497,561	13,887,127
- Other (specify)		..	..	..
TOTAL EQUITY		**19,460,858**	**18,574,447**	**18,947,352**

CASH FLOW STATEMENT

Department of Education and Training	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts	64,74,84	6,843,379	6,896,693	7,491,677
User charges	75,85	204,543	203,549	191,778
Grants and other contributions	65,76,86	294,552	354,282	305,856
Other	66,87	206,537	201,666	207,769
Outflows:				
Employee costs	67,77,88	(5,114,980)	(5,371,071)	(5,525,932)
Supplies and services	68,89	(1,609,693)	(1,494,178)	(1,662,120)
Grants and subsidies	78,90	(293,116)	(288,258)	(377,113)
Borrowing costs	79,91	(31,645)	(32,384)	(41,212)
Other	69,92	(27,582)	(18,826)	(29,177)
Net cash provided by/(used in) operating activities		**471,995**	**451,473**	**561,526**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment	70,93	27,700	..	23,000
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	71,80,94	(1,441,311)	(1,505,219)	(736,996)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(1,413,611)**	**(1,505,219)**	**(713,996)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings	72,81,95	60,000	88,000	..
Equity injections	73,82,96	818,587	1,003,371	(16,661)
Outflows:				
Borrowing redemptions	83,97	..	(665)	(7,712)
Finance lease payments		(1,450)	(2,702)	(3,442)
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**877,137**	**1,088,004**	**(27,815)**
Net increase/(decrease) in cash held		**(64,479)**	**34,258**	**(180,285)**
Cash at the beginning of financial year		**318,999**	**550,175**	**584,433**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**254,520**	**584,433**	**404,148**

ADMINISTERED INCOME STATEMENT

Department of Education and Training	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Revenues				
Commonwealth grants	98,102, 105	1,922,228	1,995,145	1,761,870
Taxes, fees and fines		270	..	..
Royalties, property income and other territorial revenue		..	..	..
Interest		..	..	..
Administered revenue	99,103, 106	2,624,611	2,657,450	2,438,103
Other	100,107	..	17,841	..
Total revenues		**4,547,109**	**4,670,436**	**4,199,973**
Expenses				
Supplies and services		23	23	23
Depreciation and amortisation		..	..	..
Grants and subsidies	101,104, 108	2,623,850	2,656,710	2,437,340
Benefit payments		738	717	740
Borrowing costs		..	..	..
Other		..	..	..
Total expenses		**2,624,611**	**2,657,450**	**2,438,103**
Net surplus or deficit before transfers to Government		**1,922,498**	**2,012,986**	**1,761,870**
Transfers of administered revenue to Government		**1,922,498**	**2,012,986**	**1,761,870**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

ADMINISTERED BALANCE SHEET

Department of Education and Training	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	109,111	9,790	285	285
Receivables		498	..	..
Inventories		..	..	..
Other		..	..	..
Non-financial assets held for sale		..	..	..
Total current assets		**10,288**	**285**	**285**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		..	..	..
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**..**	**..**	**..**
TOTAL ADMINISTERED ASSETS		**10,288**	**285**	**285**
CURRENT LIABILITIES				
Payables		328	..	..
Transfers to Government payable	110,112	9,675	..	..
Interest-bearing liabilities		..	..	..
Other		..	..	..
Total current liabilities		**10,003**	**..**	**..**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Interest-bearing liabilities		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL ADMINISTERED LIABILITIES		**10,003**	**..**	**..**
ADMINISTERED NET ASSETS/(LIABILITIES)		**285**	**285**	**285**
EQUITY				
Capital/Contributed equity		..	..	..
Retained surplus/(Accumulated deficit)		285	285	285
Reserves:		..	..	..
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL ADMINISTERED EQUITY		**285**	**285**	**285**

ADMINISTERED CASH FLOW STATEMENT

Department of Education and Training	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Administered item receipts	113,117, 121	2,624,611	2,657,451	2,438,103
Grants and other contributions	114,118, 122	1,922,228	2,012,986	1,761,870
Taxes, fees and fines		270	..	..
Royalties, property income and other territorial revenues		..	..	..
Other		..	695	..
Outflows:				
Transfers to Government	115,119, 123	(1,922,498)	(2,012,175)	(1,761,870)
Grants and subsidies	116,120, 124	(2,624,588)	(2,657,427)	(2,438,080)
Supplies and services		(23)	(25)	(23)
Borrowing costs		..	..	..
Other		..	(101)	..
Net cash provided by/(used in) operating activities		**..**	**1,404**	**..**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(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/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**..**	**1,404**	**..**
Administered cash at beginning of financial year		**9,790**	**(1,119)**	**285**
Cash transfers from restructure		..	..	..
Administered cash at end of financial year		**9,790**	**285**	**285**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. Increase due to enterprise bargaining outcomes, additional funding for students with a disability, transfer of loan funds from equity in relation to career change incentive payments and the transfer of the Community Kindergarten Assistance Scheme from administered to controlled under the Universal Access program, offset by a decrease in Australian Government programs and the transfer of recurrent funds to equity.
2. Increase due to forecast grant funding from the Queensland Reconstruction Authority over the period 2010-11 to 2011-12 to cover damage to school, TAFE and kindergarten infrastructure arising from the Queensland floods and Tropical Cyclone Yasi.
3. Decrease in relation to anticipated recoveries from statutory TAFE institutes.
4. Increase due to enterprise bargaining outcomes, enrolment growth, additional staffing for students with a disability, incentive payments under the career change program and a change in accounting treatment in relation to school based labour recoveries.
5. Decrease due to a change in accounting treatment in relation to school based labour recoveries, offset by an increase in spending in relation to damage to school, TAFE and kindergarten infrastructure arising from the Queensland floods and Tropical Cyclone Yasi.
6. Decrease due to the recognition of expenditure offsets relating to claim recoveries from the Queensland Government Insurance Fund.
7. Increase due to the recognition of the losses on disposal of buildings and plant and equipment.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

8. Increase due to enterprise bargaining outcomes, the transfer of equity to depreciation recurrent funding, additional maintenance funding, transfer of the Community Kindergarten Assistance Scheme from administered to controlled under the Universal Access program, enrolment growth, Australian Government programs offset by the cessation of the State Schools of Tomorrow program and the winding down of the Australian Government Building the Education Revolution program.
9. Decrease in forecast TAFE international services due to business uncertainty.
10. Increase due to forecast grant funding from the Queensland Reconstruction Authority over the period 2010-11 to 2011-12 to cover damage to school, TAFE and kindergarten infrastructure arising from the Queensland floods and Tropical Cyclone Yasi.
11. Increase due to enterprise bargaining outcomes, enrolment growth, additional staffing in relation to students with a disability and a change in accounting treatment in relation to school based labour recoveries.
12. Increase due to the transfer of the Community Kindergarten Assistance Scheme from administered to controlled under the Universal Access program, Australian Government programs and the re-classification of supplies and services funding to grants.
13. Increase mainly due to the completion of assets under Australian Government capital programs including Building the Education Revolution and as a result of a provision for asset revaluation.
14. Increase due to the new borrowings in relation to the solar schools loan and growth in assets under lease in relation to the South East Queensland Public Private Partnership.
15. Increase due to a higher level of support for transport assistance in relation to students with a disability.
16. Increase due to a provision for losses on disposal of buildings and plant and equipment.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

17. Increase due to enterprise bargaining outcomes, the transfer of equity to depreciation recurrent funding, additional maintenance funding, enrolment growth, Australian Government programs offset by the cessation of the State Schools of Tomorrow program and the winding down of the Australian Government Building the Education Revolution program.
18. Decrease in forecast TAFE international services and education international fees due to business uncertainty and expiration of contracts.
19. Decrease due to a lower level of forecast grant funding from the Queensland Reconstruction Authority in 2011-12 to cover damage to school, TAFE and kindergarten infrastructure arising from the Queensland floods and Tropical Cyclone Yasi.
20. Increase in relation to anticipated recoveries from statutory TAFE institutes.
21. Increase due to enterprise bargaining outcomes and enrolment growth, offset by lower incentive payments following the finalisation of the career change program in 2010-11.
22. Increase due to additional maintenance funding, Australian Government programs offset by the winding down of the Australian Government Building the Education Revolution program, cessation of the State Schools of Tomorrow program expense components and the re-classification of supplies and services funding to grants.
23. Increase due to the Australian Government programs and the re-classification of supplies and services funding to grants.
24. Increase mainly due to the completion of assets under Australian Government capital programs including Building the Education Revolution.
25. Increase due to the new borrowings in relation to the solar schools loan and growth in assets under lease in relation to the South East Queensland Public Private Partnership.
26. Changes relating to claim recoveries from the Queensland Government Insurance Fund. The department does not anticipate claims in advance for budgeting purposes.

Statement of changes in equity

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

27. Increase due to a provision for asset revaluation.
28. Increase due to an equity injection to meet capital requirements and capital funding under Australian Government programs.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
29. Increase due to a provision for asset revaluation.
30. Decrease due to the winding down of the Australian Government Building the Education Revolution program and cessation of the State Schools of Tomorrow program.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
31. Decrease due to the winding down of the Australian Government Building the Education Revolution program and cessation of the State Schools of Tomorrow program.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
32. Anticipated increase in cash as a result of accruals under capital programs including the Australian Government Building the Education Revolution program.
33. Reflects increased asset values based on 2009-10 closing balances.
34. Reflects decreased asset values based on 2009-10 closing balances.
35. Reflects increased asset values based on 2009-10 closing balances.
36. Decrease due to lower asset values based on 2009-10 closing balances mainly as a result of asset devaluation.
37. Reflects increased asset values based on 2009-10 closing balances.
38. Increase due to an anticipated rise in capital payables in relation to the Australian Government Building the Education Revolution program and higher liability values based on 2009-10 closing balances.
39. Reflects decreased liability values based on 2009-10 closing balances and a reclassification of current and non-current finance lease liabilities.
40. Reflects decreased liability values based on 2009-10 closing balances.
41. Reflects increased liability values based on 2009-10 closing balances, new borrowings to fund career change incentive payments and a reclassification of current and non-current finance lease liabilities.
42. Increase due to an equity injection to meet capital requirements.
43. Decrease due to lower asset values based on 2009-10 closing balances as a result of asset devaluation.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
44. Increase due to forecast end of year accruals based on 2009-10 closing balances, offset by anticipated lower levels of capital payables with the winding down of the Australian Government Building the Education Revolution program.
45. Reflects increased asset values based on 2009-10 closing balances.
46. Decrease reflecting movement in employee entitlement prepayments based on accrual accounting treatments and other decreased asset values based on 2009-10 closing balances.
47. Reflects increased asset values based on 2009-10 closing balances.
48. Decrease due to lower asset values based on 2009-10 closing balances mainly as a result of asset devaluation, offset by growth in assets under lease in relation to the South East Queensland Public Private Partnership, continued roll-out of the early childhood education kindergarten program, and funding under Australian Government programs.
49. Reflects increased asset values based on 2009-10 closing balances, offset by the amortisation of asset values.
50. Reflects increased liability values based on 2009-10 closing balances, offset by an anticipated reduction in capital payables following the winding down of the Australian Government Building the Education Revolution program.
51. Reflects decreased liability values based on 2009-10 closing balances and a reclassification of current and non-current finance lease liabilities.
52. Reflects decreased liability values based on 2009-10 closing balances.
53. Reflects increased liability values based on 2009-10 closing balances, new borrowings to fund career change incentive payments and a reclassification of current and non-current finance lease liabilities.
54. Increase due to an equity injection to meet capital requirements, Australian Government programs, continued roll-out of the early childhood education kindergarten program, offset by the transfer of equity to recurrent funding in relation to changes in the level of expensing under capital works programs.
55. Decrease due to lower asset values based on 2009-10 closing balances as a result of asset devaluation.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
56. Decrease due to anticipated lower levels of capital payables following the winding down of the Australian Government Building the Education Revolution program.
57. Decrease reflecting movement in employee entitlement prepayments based on accrual accounting treatments.
58. Increase due to growth in assets under lease in relation to the South East Queensland Public Private Partnership, continued roll-out of the early childhood education kindergarten program, and funding under Australian Government programs.
59. Reflects the change with the amortisation of asset values.
60. Decrease due to an anticipated reduction in capital payables following the winding down of the Australian Government Building the Education Revolution program.
61. Increase due to new borrowings to fund career change incentive payments.
62. Increase due to a growth in assets under lease in relation to the South East Queensland Public Private Partnership.
63. Increase due to a provision for asset revaluation.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
64. Increase due to enterprise bargaining outcomes, additional funding for students with a disability, transfer of loan funds from equity in relation to career change incentive payments and the transfer of the Community Kindergarten Assistance Scheme funding from administered to controlled under the Universal Access program, offset by a decrease in Australian Government programs and the transfer of recurrent funds to equity.
65. Increase due to forecast grant funding from the Queensland Reconstruction Authority over the period 2010-11 to 2011-12 to cover damage to school, TAFE and kindergarten infrastructure arising from the Queensland floods and Tropical Cyclone Yasi.

66. Decrease in relation to anticipated recoveries from statutory TAFE institutes.
67. Increase due to enterprise bargaining outcomes, additional staffing in relation to students with a disability, career change incentive payments and a change in accounting treatment in relation to school based labour recoveries.
68. Decrease due to a change in accounting treatment in relation to school based labour recoveries, offset by an increase in spending in relation to damage to school, TAFE and kindergarten infrastructure arising from the Queensland floods and Tropical Cyclone Yasi.
69. Decrease due to the recognition of expenditure offsets relating to claim recoveries from the Queensland Government Insurance Fund.
70. Reflects a re-assessment of the existing asset disposal program and the level of planned disposals.
71. Increase due to Australian Government programs including Building the Education Revolution program.
72. Increase due to new borrowings to fund career change incentive payments.
73. Increase due to an equity injection to meet capital requirements and Australian Government programs, in part, due to the transfer of recurrent funds to equity.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
74. Increase due to enterprise bargaining outcomes, funding for students with a disability, the transfer of equity to depreciation recurrent funding, additional maintenance funding, transfer of the Community Kindergarten Assistance Scheme from administered to controlled under the Universal Access program, enrolment growth, Australian Government programs, offset by the cessation of the State Schools of Tomorrow program and the winding down of the Australian Government Building the Education Revolution program.
75. Decrease in forecast TAFE international services due to business uncertainty.
76. Increase due to forecast grant funding from the Queensland Reconstruction Authority over the period 2010-11 to 2011-12 to cover damage to school, TAFE and kindergarten infrastructure arising from the Queensland floods and Tropical Cyclone Yasi.
77. Increase due to enterprise bargaining outcomes, enrolment growth, additional staffing in relation to students with a disability, and a change in accounting treatment in relation to school based labour recoveries.
78. Increase due to the transfer of the Community Kindergarten Assistance Scheme from administered to controlled under the Universal Access program, and the re-classification of supplies and services funding to grants.
79. Increase due to the new borrowings in relation to the solar schools loan and growth in assets under lease in relation to the South East Queensland Public Private Partnership.
80. Decrease due to the winding down of the Australian Government Building the Education Revolution program and the cessation of the State Schools of Tomorrow program.
81. Decrease due a higher level take-up of borrowings in 2010-11 in relation to the solar schools loan.
82. Decrease due to the winding down of the Australian Government Building the Education Revolution program, cessation of the State Schools of Tomorrow program and the transfer of equity funds to recurrent to fund higher levels of depreciation mainly in relation to assets built under Australian Government capital programs including Building the Education Revolution.
83. Increase due to new borrowings in relation to the solar schools and career change loans.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
84. Increase due to enterprise bargaining outcomes, the transfer of equity to depreciation recurrent funding, additional maintenance funding, enrolment growth, Australian Government programs offset by the cessation of the State Schools of Tomorrow program and the winding down of the Australian Government Building the Education Revolution program.
85. Decrease in forecast TAFE international services and education international fees due to business uncertainty and expiration of contracts.
86. Decrease due to a lower level of forecast grant funding from the Queensland Reconstruction Authority in 2011-12 to cover damage to school, TAFE and kindergarten infrastructure arising from the Queensland floods and Tropical Cyclone Yasi.
87. Increase in relation to anticipated recoveries from statutory TAFE institutes.
88. Increase due to enterprise bargaining outcomes, and enrolment growth, offset by lower career change incentive payments following the finalisation of the career change program in 2010-11.
89. Increase due to additional maintenance funding and Australian Government programs, offset by the winding down of the Australian Government Building the Education Revolution program, cessation of the State Schools of Tomorrow program expense components and the re-classification of supplies and services funding to grants.
90. Increase due to the Australian Government early childhood education Universal Access program and the re-classification of supplies and services funding to grants.
91. Increase due to the new borrowings in relation to the solar schools loan and growth in assets under lease in relation to the South East Queensland Public Private Partnership.
92. Changes relating to claim recoveries from the Queensland Government Insurance Fund. The department does not anticipate claims in advance for budgeting purposes.
93. Reflects a re-assessment of the existing asset disposal program and the level of planned disposals.
94. Decrease due to the winding down of the Australian Government programs including Building the Education Revolution.
95. Decrease due a higher level take-up of borrowings in 2010-11 in relation to the solar schools and career change loans.
96. Decrease due to the winding down of the Australian Government Building the Education Revolution program, cessation of the State Schools of Tomorrow program, the transfer equity funds to recurrent to fund higher levels of depreciation mainly in relation to assets built under Australian Government capital programs including Building the Education Revolution and a one-off equity injection to meet capital requirements in 2010-11.
97. Increase due to new borrowings in relation to the solar schools and career change loans.

Administered income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
98. Increase in Australian Government grants assistance to non-state schools.
99. Increase in Australian Government grants assistance to non-state schools, offset by the transfer of the Community Kindergarten Assistance Scheme from administered to controlled under the Universal Access program.
100. Increase due to contributions to state capital projects including the relocation of the Federal State School.
101. Increase in Australian Government grants assistance to non-state schools, offset by the transfer of the Community Kindergarten Assistance Scheme from administered to controlled under the Universal Access program.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
102. Decrease in Australian Government grants assistance to non-state schools mainly due to the winding down of the Australian Government Building the Education Revolution program.
103. Decrease in Australian Government grants assistance to non-state schools mainly due to the winding down of the Australian Government Building the Education Revolution program and the transfer of the Community Kindergarten Assistance Scheme from administered to controlled under the Universal Access program.
104. Decrease in Australian Government grants assistance to non-state schools mainly due to the winding down of the Australian Government Building the Education Revolution program and the transfer of the Community Kindergarten Assistance Scheme from administered to controlled under the Universal Access program.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
105. Decrease in Australian Government grants assistance to non-state schools mainly due to the winding down of the Australian Government Building the Education Revolution program.
106. Decrease in Australian Government grants assistance to non-state schools mainly due to the winding down of the Australian Government Building the Education Revolution program.
107. Decrease in contributions to state capital projects.
108. Decrease in Australian Government grants assistance to non-state schools mainly due to the winding down of the Australian Government Building the Education Revolution program.

Administered balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
109. Reflects decreased asset values based on 2009-10 closing balances.
110. Reflects decreased liability values based on 2009-10 closing balances.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
111. Reflects decreased asset values based on 2009-10 closing balances.
112. Reflects decreased liability values based on 2009-10 closing balances.

Administered cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
113. Increase in Australian Government grants assistance to non-state schools, offset by the transfer of the Community Kindergarten Assistance Scheme from administered to controlled under the Universal Access program.
114. Increase in Australian Government grants assistance to non-state schools and contributions to state capital projects including the relocation of the Federal State School.
115. Increase in Australian Government grants assistance to non-state schools and contributions to state capital projects including the relocation of the Federal State School.
116. Increase in Australian Government grants assistance to non-state, offset by the transfer of the Community Kindergarten Assistance Scheme from administered to controlled under the Universal Access program.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
117. Decrease in Australian Government grants assistance to non-state schools mainly due to the winding down of the Australian Government Building the Education Revolution program and the transfer of the Community Kindergarten Assistance Scheme from administered to controlled under the Universal Access program.
118. Decrease in Australian Government grants assistance to non-state schools mainly due to the winding down of the Australian Government Building the Education Revolution program.
119. Decrease in Australian Government grants assistance to non-state schools mainly due to the winding down of the Australian Government Building the Education Revolution program.
120. Decrease in Australian Government grants assistance to non-state schools mainly due to the winding down of the Australian Government Building the Education Revolution program and the transfer of the Community Kindergarten Assistance Scheme from administered to controlled under the Universal Access program.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
121. Decrease in Australian Government grants assistance to non-state schools mainly due to the winding down of the Australian Government Building the Education Revolution program.
122. Decrease in Australian Government grants assistance to non-state schools mainly due to the winding down of the Australian Government Building the Education Revolution program.
123. Decrease in Australian Government grants assistance to non-state schools mainly due to the winding down of the Australian Government Building the Education Revolution program.
124. Decrease in Australian Government grants assistance to non-state schools mainly due to the winding down of the Australian Government Building the Education Revolution program.

Statutory Bodies

Gold Coast Institute of TAFE

OVERVIEW

The Gold Coast Institute of TAFE (GCIT) was established, on 1 July 2008, as a statutory TAFE institute under the *Vocational Education, Training and Employment Act 2000*. GCIT's promise is 'Learning that works for you'. GCIT is one of Australia's leading vocational education training facilities and aims to provide innovative vocational education products and courses. The institute will continue to provide high quality training equipping graduates to enter the workforce or transition to further tertiary studies.

GCIT contributes to *Toward Q2: Tomorrow's Queensland* to achieve a state wide target by 2020 that *three out of four Queenslanders will hold trade, training or tertiary qualifications*.

GCIT offers a broad range of vocational qualifications from Certificate to advanced diplomas, school and university pathways and articulation arrangements. GCIT's training is broken up into five key areas:

- Health and Community Services including nursing, massage, fitness and aged care
- Services including tourism, events, hospitality, cookery, bakery and hairdressing
- Trades including automotive, electro-technology, engineering, plumbing, construction, cabinet making, horticulture and carpentry
- Creative Industries and Commerce including graphic design, screen and media, engineering, construction, information technology, business and justice;
- General Education including literacy and numeracy programs, English as a second language, children's services and education support.

REVIEW OF PERFORMANCE

Recent achievements

- GCIT opened the new $26.9 million Coomera Campus. This high-tech Campus delivers vocational education in information technology, creative industries and computer based training for construction and engineering. Unaccredited short courses are also offered through GCIT's Lightbulb initiative. Facilities include two theatres including a black box theatre, digital video and editing suites, production control facilities and music rehearsal studios allowing additional capacity.
- Signed a Memorandum of Understanding with Southern Cross University. This was a landmark agreement in that all graduating students from GCIT in Certificate VI will be offered 6 months credit on a corresponding Bachelor program, Diploma students will be offered one year credit and Advanced Diploma students will be offered 18 months credit into a corresponding bachelor program.
- Launched GCIT's unaccredited short-course brand Lightbulb, which provides non-accredited short course training.
- GCIT has been recognised as a VET FEE-HELP provider for its Diploma of Nursing by the Commonwealth Department of Education and Workplace Relations.

Future developments

- Increase the number of Diplomas which can be offered to students under VET FEE-HELP through an application to the Department of Education and Workplace Relations increasing the number of programs offered.
- Grow training in Health and Community Services to support the new Gold Coast Hospital.
- Implement a Teacher Capability Framework and robust return to industry program for teaching staff.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
	2	33	22	22

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. Staff members reflect staff directly engaged by the Institute and do not include staff employed by the Department of Education and Training. It is estimated that as at June 30 2011 GCIT will utilise 581 full time equivalent Department of Education and Training (DET) staff and 22 directly engaged staff. As at 30 June 2012 GCIT expects to be utilising 586 full time equivalent Department of Education and Training (DET) staff and an estimated 22 directly engaged staff.

PERFORMANCE STATEMENT

Service standards	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Proportion of all attempted competencies successfully completed		91%	87%	88%
Student post training outcome (employed or in further study after training)		84%	84%	84%
Proportion of graduates satisfied with the overall quality of their training		84%	81%	84%
Proportion of employers satisfied with graduates of the Institute		80%	84%	85%
Average cost per competency successfully completed	1,2	$537	$614	$602
Other measures				
Number of students awarded Certificate III and above	3	4,100	3,800	4,000
State contribution ($000)		40,871	38,290	34,716
Other revenue ($000)		24,774	30,577	34,538
Total cost ($000)		63,868	65,751	68,019

Notes:
1. Increase in average cost per competency due to reduced number of competency completions in 2010-11 versus 2010-11 target combined with the additional operating expenditure incurred fitting out the new Coomera campus.
2. Increase in average cost per competency due to reduced number of competency completions in 2011-12 versus 2010-11 target combined with the additional operating expenditure incurred fitting out the new Coomera campus.
3. Decrease due to number of students commencing in Nursing, Electrical and Plumbing courses where the qualification is not awarded until the following financial year.

INCOME STATEMENT

Gold Coast Institute of TAFE	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
User charges	1,5,11	23,350	28,708	32,512
Grants and other contributions	2,6,12	40,871	38,290	34,716
Other revenue	7	1,424	1,869	2,026
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**65,645**	**68,867**	**69,254**
Expenses				
Employee expenses	3,8	4,995	3,429	3,248
Supplies and services	4,9,13	55,834	58,921	60,736
Grants and subsidies		..	..	..
Depreciation and amortisation	10,14	2,607	2,900	3,312
Finance/borrowing costs		..	..	..
Other expenses		362	313	638
Losses on sale/revaluation of property, plant and equipment and investments		70	188	85
Total expenses		**63,868**	**65,751**	**68,019**
OPERATING SURPLUS/(DEFICIT)		**1,777**	**3,116**	**1,235**

STATEMENT OF CHANGES IN EQUITY

Gold Coast Institute of TAFE	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		1,777	3,116	1,235
Total recognised income and expense for the period		**1,777**	**3,116**	**1,235**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**1,777**	**3,116**	**1,235**

BALANCE SHEET

Gold Coast Institute of TAFE	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	15,20,25	16,518	26,599	28,293
Receivables	16,21,26	3,287	6,500	7,500
Other financial assets		..	..	..
Inventories		132	55	55
Other		150	200	280
Non-financial assets held for sale		..	..	..
Total current assets		**20,087**	**33,354**	**36,128**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	17,22	110,251	101,195	100,011
Intangibles		83	200	925
Other		..	..	..
Total non-current assets		**110,334**	**101,395**	**100,936**
TOTAL ASSETS		**130,421**	**134,749**	**137,064**
CURRENT LIABILITIES				
Payables	18,23	1,307	10,964	11,384
Accrued employee benefits		2	390	470
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	19,24	6,416	9,646	10,146
Total current liabilities		**7,725**	**21,000**	**22,000**
NON-CURRENT LIABILITIES				
Payables		31	..	..
Accrued employee benefits		58	300	380
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**89**	**300**	**380**
TOTAL LIABILITIES		**7,814**	**21,300**	**22,380**
NET ASSETS/(LIABILITIES)		**122,607**	**113,449**	**114,684**
EQUITY				
Capital/contributed equity		141,047	141,047	141,047
Retained surplus/(accumulated deficit)		(18,440)	(27,598)	(26,363)
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**122,607**	**113,449**	**114,684**

CASH FLOW STATEMENT

Gold Coast Institute of TAFE	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges	27,32,37	22,930	28,962	31,927
Grants and other contributions	28,33,38	40,871	38,886	34,716
Other		2,626	3,238	3,043
Outflows:				
Employee costs	29,34	(4,956)	(3,256)	(3,088)
Supplies and services	30,35,39	(56,023)	(58,354)	(60,396)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(1,556)	(2,775)	(1,655)
Net cash provided by/(used in) operating activities		**3,892**	**6,701**	**4,547**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	31,36	(585)	(2,627)	(2,853)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(585)**	**(2,627)**	**(2,853)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**3,307**	**4,074**	**1,694**
Cash at the beginning of financial year		**13,211**	**22,525**	**26,599**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**16,518**	**26,599**	**28,293**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
1. Increase due to reclassification of User Choice revenue from Grants and Other contributions to User Charges.
2. Decrease due to reclassification of User Choice revenue from Grants and Other contributions to User Charges partially offset by Coomera funding (operating and capital).
3. Decrease due to number of common-law contract staff employed directly by the Institute.
4. Increase due to operating expense component of the new Coomera campus which includes DET staff.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
5. Increase due to reclassification of User Choice revenue from Grants and Other contributions to User Charges plus the introduction of VET FEE-HELP and expansion of the Productivity Places Program (PPP) participation.
6. Decrease due to reclassification of User Choice revenue from Grants and Other contributions to User Charges.
7. Increase due to higher interest income through improved cashflow.
8. Decrease due to number of common-law contract staff employed directly by the Institute.
9. Increase due to operating component of the new Coomera campus which includes DET staff plus associated expense of increased delivery and EB increase.
10. Increase due to higher capital expenditure and resulting in corresponding increase in depreciation expense.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
11. Increase due to growth of VET FEE-HELP and expansion of PPP participation.
12. Decrease due to one off funding for new Coomera campus in 2010-11.
13. Increase predominantly due to operating component of the new Coomera campus which includes DET staff plus associated expense of increased delivery and EB increase.
14. Increase due to higher capital expenditure and resulting in corresponding increase in depreciation expense.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
15. Increase due to improved management of balances owed by the Institute and improved collections of amounts owed to the Institute.
16. Increase due to impact of revised assessment of future debt offset by other liabilities.
17. Decrease due to revaluation decrement in 2009-10 (post Budget 2010-11 submission).
18. Increase due to re-assessment of trade payables payment profile from 2010-11.
19. Increase due to impact of revised assessment of future debt offset by receivables.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
20. Increase due to improved management of balances owed by the Institute and improved collections of amounts owed to the Institute.
21. Increase due to impact of revised assessment of future debt (offsets with other liabilities) plus increased delivery in 2011-12.
22. Decrease due to revaluation decrement in 2009-10 (post Budget 2010-11 submission).
23. Increase due to re-assessment of trade payables payment profile from 2010-11.
24. Increase due to impact of revised assessment of future debt (offsets with receivables) plus increased delivery in 2011-12.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
25. Increase due to improved management of balances owed by the Institute and improved collections of amounts owed to the Institute.
26. Increase due to higher quantum of training delivery in 2011-12.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
27. Increase due to reclassification of User Choice revenue from Grants and Other contributions to User Charges.
28. Decrease due to reclassification of User Choice revenue from Grants and Other contributions to User Charges partially offset by Coomera funding (operating and capital).
29. Decrease due to number of common-law contract staff employed directly by the Institute–.
30. Increase due to operating expense component of the new Coomera campus which includes DET staff.
31. Increase due to one-off funding for new Coomera campus.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
32. Increase due to reclassification of User Choice revenue from Grants and Other contributions to User Charges plus the introduction of VET FEE-HELP and expansion of PPP participation.
33. Decrease due to reclassification of User Choice revenue from Grants and Other contributions to User Charges.
34. Decrease due to number of common-law contract staff employed directly by the Institute.
35. Increase due to operating component of the new Coomera campus which includes DET staff plus associated expense of increased delivery and EB increase.
36. Increase due to capital expenditure activity predominantly in teaching facilities, training aids and improved systems and technology.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
37. Increase due to growth of VET FEE-HELP and expansion of PPP participation.
38. Decrease due to one off funding for new Coomera campus in 2010-11.
39. Increase due to higher quantum of training delivery in 2011-12 which drives higher associated expenditure.

Queensland Studies Authority

OVERVIEW

The Queensland Studies Authority (QSA) is a statutory authority established in 2002 under the *Education (Queensland Studies Authority) Act 2002*. Its vision is to provide quality, innovative and future-focused products and services to assist all Queensland education communities.

The QSA provides kindergarten year to year 12 syllabuses and guidelines, assessment, reporting, testing, accreditation, certification and tertiary entrance services for Queensland schools. This includes supporting schools to implement the Australian Curriculum and assist students to achieve a Queensland Certificate of Education.

The QSA contributes to the Government's *Toward Q2: Tomorrow's Queensland* Smart ambition – *delivering world-class education and training* – through the development of products and services that set the foundation for success in the early years, strengthen learning in the middle years and, in the senior years of schooling, provide a greater range of learning options and flexibility for young people to complete Year 12.

REVIEW OF PERFORMANCE

Recent achievements

- Developed resources and provided professional development programs to assist schools to implement the Australian Curriculum.
- Issued 45,733 Senior Statements to Year 12 Queensland students in 2010, 36,747 (80%) of whom also received a Queensland Certificate of Education (QCE) (up from 78% in 2009). Another 548 students received a Queensland Certificate of Individual Achievement and 26,560 Tertiary Entrance Statements were issued to students.
- Administered the 2011 National Assessment Program – Literacy and Numeracy to approximately 231,890 Years 3, 5, 7 and 9 students in Queensland.
- Administered the Queensland Comparable Assessment Tasks (QCATs), developed as part of the Queensland Curriculum, Assessment and Reporting (QCAR) Framework.
- Developed 200 additional science assessment tasks and enhanced the QCATs in response to the recommendations of the Queensland Education Performance Review.
- Developed the Queensland Kindergarten Learning Guideline and associated professional development program. The guideline will assist in meeting Queensland's commitment to implement the national Early Years Learning Framework.
- Developed the Prep to Year 12 Aboriginal and Torres Strait Islander Languages syllabuses.

Future developments

- Continue to participate in the Australian Curriculum, Assessment and Reporting Authority's curriculum development and consultation activities to ensure the delivery of a world-class national curriculum.
- Align QSA products to the Australian Curriculum and provide schools with resources and support as each learning area is released.
- Continue to work with the schooling community to enable more students to become eligible for a QCE by promoting the range of learning options available for students.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
	2,3,4	226.3	248.56	241.91

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. The majority of QSA's FTE staff are based at the South Brisbane office, with the remainder located in 13 district offices across Queensland. The figures include permanent and temporary FTEs.
3. The increase is due to the change of previous casual positions to permanent funded positions.
4. 2010-11 Estimated Actual includes some temporary FTEs engaged for short term projects which are not expected to continue into 2011-12.

PERFORMANCE STATEMENT

Service standards	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Percentage of stakeholders surveyed who consider the syllabuses and support materials developed by the authority to be satisfactory		85%	86%	86%
Quality of certification processes: the percentage of all learners whose Queensland Certificate of Education (QCE) eligibility status changed following request for verification or review of information		0.2%	0.21%	0.2%
Quality of certification processes: the percentage of all OP eligible Year 12 students whose OP changed following request for verification or review of information	1,2	..	0.03%	0.03%
Percentage of principals rating the communication and test preparation material for National Assessment Program – Literacy and Numeracy (NAPLAN) as good or very good	3	90%	86%	90%
Average cost per school of external audit as a Registered Training Organisation	4	$9,411	$9,872	$7,270
Average cost per syllabus revision	5	$87,086	$106,676	$93,181
Average cost per student of developing and issuing Senior Education Profiles	6	$265	$253	$254
Average cost per student of developing and issuing the National Assessment Program – Literacy and Numeracy (NAPLAN) student report	7	$34	$32	$35

Service standards	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Average cost per student of tertiary entrance and pathways information programs		$9	$8	$8
Other measures				
External Audit of the QSA VET management processes demonstrates compliance with the Australian Quality Training Framework Standards and national benchmarks	8	Compliance Achieved	N/A	Compliance Achieved
State contribution ($000)		39,212	41,005	41,293
Other revenue ($000)		2,962	3,744	3,682
Total cost ($000)		**42,174**	**44,749**	**44,975**

Notes:
1. The number of Overall Positions (OPs) that changed following a review by the QSA. Typically there are a very small number of successful appeals.
2. A target for 2010-11 was not developed.
3. This was the first time the survey was conducted. The 2010-11 target of 90% was not achieved, however, the QSA continues to strive for a high satisfaction rate.
4. The projected decrease in average cost of external audit in 2011-12 is due to an increase in the number of audits. This increase is attributed to the normal cycle and an expected increase to QSA's delegation to include non-trade Certificate III and IV qualifications. When this increased number of audits is applied to relatively fixed costs, the average cost is decreased.
5. Increased average cost of syllabus revision in 2010-11 is due to a decrease in the number of revisions pending the introduction of the Australian Curriculum. When this is applied to relatively fixed costs, the average cost is increased.
6. Decreased average cost of developing and issuing Senior Education Profiles from 2010-11 is due to an increase in the number of students receiving a Senior Education Profile. When this is applied to relatively fixed costs, the average cost is decreased.
7. These figures represent the total cost of the administration of the NAPLAN tests in Queensland. Schools/school sectors are levied for an amount each year as a contribution to the overall costs.
8. External Audit was not required for 2010-11 under the current delegation from the Training and Employment Recognition Council (TERC). The 2011-12 target is related to the Australian Skills Quality Authority which will be established in Queensland later in 2011. This Authority will replace the state-based TERC. It is understood that QSA will have a delegation from this new Authority to register schools as Registered Training Organisations. The frequency of external audits will be specified in the new delegation.

INCOME STATEMENT

Queensland Studies Authority	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
User charges	1,7	2,374	2,620	2,540
Grants and other contributions	2,8	39,212	41,005	41,293
Other revenue	3,9	588	1,124	1,142
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**42,174**	**44,749**	**44,975**
Expenses				
Employee expenses	4,10	27,245	28,618	28,755
Supplies and services	4,11	13,127	14,563	14,625
Grants and subsidies		..	..	..
Depreciation and amortisation	5,12	1,741	1,533	1,559
Finance/borrowing costs		..	..	..
Other expenses	6,13	61	35	36
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**42,174**	**44,749**	**44,975**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

STATEMENT OF CHANGES IN EQUITY

Queensland Studies Authority	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		..	..	..
Total recognised income and expense for the period		**..**	**..**	**..**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**..**	**..**	**..**

BALANCE SHEET

Queensland Studies Authority	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	14,16	8,311	8,611	9,880
Receivables		462	444	499
Other financial assets		..	..	..
Inventories		90	38	38
Other		315	308	400
Non-financial assets held for sale		..	..	..
Total current assets		**9,178**	**9,401**	**10,817**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		877	1,108	806
Intangibles	15,17	6,696	6,603	5,451
Other		..	..	..
Total non-current assets		**7,573**	**7,711**	**6,257**
TOTAL ASSETS		**16,751**	**17,112**	**17,074**
CURRENT LIABILITIES				
Payables		3,603	3,644	3,674
Accrued employee benefits		1,632	1,852	1,783
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		49	80	81
Total current liabilities		**5,284**	**5,576**	**5,538**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**5,284**	**5,576**	**5,538**
NET ASSETS/(LIABILITIES)		**11,467**	**11,536**	**11,536**
EQUITY				
Capital/contributed equity		4,832	4,832	4,832
Retained surplus/(accumulated deficit)		6,635	6,704	6,704
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**11,467**	**11,536**	**11,536**

CASH FLOW STATEMENT

Queensland Studies Authority	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges		2,353	2,547	2,541
Grants and other contributions	18,20	39,212	41,005	41,293
Other		743	1,364	1,288
Outflows:				
Employee costs	19,21	(27,286)	(28,686)	(28,739)
Supplies and services	19,22	(13,069)	(14,932)	(14,773)
Grants and subsidies		1	(75)	(3)
Borrowing costs		..	..	..
Other		(217)	(336)	(233)
Net cash provided by/(used in) operating activities		**1,737**	**887**	**1,374**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		(130)	(224)	(105)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(130)**	**(224)**	**(105)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**1,607**	**663**	**1,269**
Cash at the beginning of financial year		**6,704**	**7,948**	**8,611**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**8,311**	**8,611**	**9,880**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. Increase due to higher than anticipated syllabus licensing and copyright income.
2. Increase relates to additional funding from the Department of Education and Training (DET) for the National Assessment Program - Literacy and Numeracy (NAPLAN), the Open Trial of Year 1 Literacy and Numeracy Checkpoints Assessments, the development of a senior syllabus in Chinese (Mandarin) and for the ongoing implementation of the Queensland Kindergarten Learning Guideline.
3. Increase due to higher than anticipated interest revenue from the implementation of improved investment strategies.
4. Increase due to additional expenditure related to the Open Trial of the Year 1 Literacy and Numeracy Checkpoints Assessments, the development of a senior syllabus in Chinese (Mandarin), NAPLAN, the ongoing implementation of the Queensland Kindergarten Learning Guideline and Australian Curriculum.
5. Decrease due to the useful lives of a number of plant and equipment assets being extended as part of the annual review.
6. Decrease due to reclassification of internal audit costs from 'Other expenses' to 'Supplies and services'.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

7. Decrease due to higher than anticipated syllabus licensing and copyright income in 2010-11.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

8. Increase relates to additional funding from DET for NAPLAN, Enterprise Bargaining (EB) increase, the development of a senior syllabus in Chinese (Mandarin) and for the ongoing implementation of the Queensland Kindergarten Learning Guideline.
9. Increase due to higher than anticipated interest revenue from the implementation of improved investment strategies.
10. Increase due to EB increase combined with additional temporary FTEs for the development of a senior syllabus in Chinese (Mandarin), the ongoing implementation of the Queensland Kindergarten Learning Guideline, Assessment Bank and Australian Curriculum.
11. Increase due to additional expenditure related to the development of a senior syllabus in Chinese (Mandarin), NAPLAN, the ongoing implementation of the Queensland Kindergarten Learning Guideline and Australian Curriculum.
12. Decrease due to the useful lives of a number of plant and equipment assets being extended as part of the annual review.
13. Decrease due to reclassification of internal audit costs from 'Other expenses' to 'Supplies and services'.

Balance sheet

Major variations between 2010-11 Budget and 2011-12 Estimate include:

14. Increase due to relatively low level of capital expenditure combined with implementation of improved investment strategies.
15. Decrease due to amortisation of internally developed software.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

16. Increase due to relatively low level of capital expenditure combined with implementation of improved investment strategies.
17. Decrease due to amortisation of internally developed software.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

18. Increase relates to additional funding from DET for NAPLAN, the Open Trial of Year 1 Literacy and Numeracy Checkpoints Assessments, the development of a senior syllabus in Chinese (Mandarin) and for the ongoing implementation of the Queensland Kindergarten Learning Guideline.
19. Increase due to additional expenditure related to the Open Trial of the Year 1 Literacy and Numeracy Checkpoints Assessments, the development of a senior syllabus in Chinese (Mandarin), NAPLAN, the ongoing implementation of the Queensland Kindergarten Learning Guideline and Australian Curriculum.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

20. Increase relates to additional funding from DET for NAPLAN, Enterprise Bargaining (EB) increase, the development of a senior syllabus in Chinese (Mandarin) and for the ongoing implementation of the Queensland Kindergarten Learning Guideline.
21. Increase due to EB increase combined with additional temporary FTEs for the development of a senior syllabus in Chinese (Mandarin), the ongoing implementation of the Queensland Kindergarten Learning Guideline, Assessment Bank and Australian Curriculum.
22. Increase due to additional expenditure related to the development of a senior syllabus in Chinese (Mandarin), NAPLAN, the ongoing implementation of the Queensland Kindergarten Learning Guideline and Australian Curriculum.

Southbank Institute of Technology

OVERVIEW

Southbank Institute of Technology (SBIT) was established as a statutory TAFE institute under the *Vocational Education, Training and Employment Act 2000* on 1 April 2008. The Institute's vision is to 'empower VET and Higher Education students for rewarding careers in the global community' and is one of Australia's leading vocational education and training providers in higher level skills training.

SBIT offers a range of high-level vocational qualifications, associate degrees, university pathways and articulation arrangements in key industries.
On behalf of the Department of Education and Training, SBIT acts as the contract manager for two Australian Government programs – the Adult Migrant English Program and the Language, Literacy and Numeracy Program, delivered in TAFE institutes across Queensland.

REVIEW OF PERFORMANCE

Recent achievements

- Implemented VET FEE-HELP with over 1,200 enrolments across 46 eligible courses of study.
- Continued to deliver against the *Toward Q2: Tomorrow's Queensland* target under the Smart ambition – *three out of four Queenslanders will hold trade, training or tertiary qualifications*, with expected delivery of Certificate III level or higher qualifications to over 14,000 students in the 2010-11 period.
- Increased educational pathways for students moving between university and SBIT from 119 to 159 pathways to leading institutions including Queensland University of Technology, Griffith University, the University of Queensland and University of the Sunshine Coast.

Future developments

- Continue to partner with industry to enhance employment opportunities and practical applications for students through the implementation of SBIT's Industry Engagement Strategy to improve business client satisfaction.
- Maximise learning experiences and outcomes for students by embedding the Framework for Education to guide teaching quality to improve student satisfaction.
- Continue to grow the number of eligible VET courses as a VET FEE-HELP provider.
- Develop additional educational pathways for students moving between university and SBIT.
- Further contribute to the *Toward Q2: Tomorrow's Queensland* target under the Smart ambition – *three out of four Queenslanders will hold trade, training or tertiary qualifications*.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
	2	21	14.45	19

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. Staffing numbers reflect staff directly engaged by the Institute and do not include staff employed by the Department of Education and Training (DET) who are utilised by the Institute. The 2011-12 Estimate reflects the expected direct appointment by the Institute of management and commercial roles. It is estimated that, as at 30 June 2011, the Institute will utilise over 636 full-time equivalent DET staff and an estimated 665 DET staff as at 30 June 2012.

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Southbank Institute of Technology - Service standards				
Proportion of all attempted competencies successfully completed		84%	84%	84%
Student post training outcome (employed or in further study after training)		90%	87.5%	90%
Proportion of graduates satisfied with the overall quality of their training	1	82%	81%	84%
Proportion of employers satisfied with graduates of the Institute	2	78%	72%	75%
Average cost per competency successfully completed		$635	$635	$615
Other measures				
Number of students completing Certificate III and above	3	25,280	14,400	16,000
State contribution ($000)		**65,270**	**36,118**	**35,706**
Other revenue ($000)		**62,424**	**59,320**	**63,168**
Total cost ($000)		**127,190**	**95,438**	**108,822**

Notes:
1. Student satisfaction survey conducted annually.
2. 780 business client sample population supplied with only 61 respondents representing less than 8% response.
3. Market contraction and a continued focus on Cert IV and above qualifications have seen a decrease in expected student numbers. Students however are studying for longer periods and achieving higher qualifications fulfilling our Q2 commitment to the Government

INCOME STATEMENT

Southbank Institute of Technology	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
User charges	1,8	61,649	58,263	62,528
Grants and other contributions	2,5,9	65,270	36,118	35,706
Other revenue	3,10	775	1,057	640
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**127,694**	**95,438**	**98,874**
Expenses				
Employee expenses		3,474	2,692	3,194
Supplies and services	2,4,6, 11	122,049	91,000	103,873
Grants and subsidies		..	..	..
Depreciation and amortisation		1,272	1,425	1,369
Finance/borrowing costs		..	..	..
Other expenses		395	321	386
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**127,190**	**95,438**	**108,822**
OPERATING SURPLUS/(DEFICIT)	7,12	**504**	**0**	**(9,948)**

STATEMENT OF CHANGES IN EQUITY

Southbank Institute of Technology	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		504	0	(9,948)
Total recognised income and expense for the period		**504**	**0**	**(9,948)**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**504**	**0**	**(9,948)**

BALANCE SHEET

Southbank Institute of Technology	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	18,22	12,265	12,850	4,034
Receivables	13,19,23	14,347	19,739	21,251
Other financial assets		..	..	..
Inventories		18	16	16
Other		310	622	613
Non-financial assets held for sale		..	..	..
Total current assets		**26,940**	**33,227**	**25,914**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	14	19,023	20,517	19,657
Intangibles	15	224	512	373
Other		..	..	..
Total non-current assets		**19,247**	**21,029**	**20,030**
TOTAL ASSETS		**46,187**	**54,256**	**45,944**
CURRENT LIABILITIES				
Payables	16,20,24	23,169	9,709	11,163
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	17,21	..	19,205	19,352
Total current liabilities		**23,169**	**28,914**	**30,515**
NON-CURRENT LIABILITIES				
Payables		..		
Accrued employee benefits		..	422	457
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**422**	**457**
TOTAL LIABILITIES		**23,169**	**29,336**	**30,972**
NET ASSETS/(LIABILITIES)		**23,018**	**24,920**	**14,972**
EQUITY				
Capital/contributed equity		43,199	43,199	43,199
Retained surplus/(accumulated deficit)		(20,181)	(18,279)	(28,227)
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**23,018**	**24,920**	**14,972**

CASH FLOW STATEMENT

Southbank Institute of Technology	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges	25,29	59,999	54,997	61,987
Grants and other contributions	26,30	65,270	38,262	34,834
Other		775	1,110	656
Outflows:				
Employee costs		(3,474)	(2,896)	(3,159)
Supplies and services	27,31	(122,053)	(92,737)	(102,410)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(395)	(203)	(354)
Net cash provided by/(used in) operating activities		**122**	**(1,467)**	**(8,446)**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	28	(304)	(594)	(370)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(304)**	**(594)**	**(370)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**(182)**	**(2,061)**	**(8,816)**
Cash at the beginning of financial year		**12,447**	**14,911**	**12,850**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**12,265**	**12,850**	**4,034**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. Changes due largely to a decline in international student demand resulting from the changes in Migration Occupations in Demand List (MODL), strong exchange rate and increasingly competitive international market. There has also been a decline in demand for commercial training.
2. Changes due largely to renegotiated funding arrangements for the Southbank Education Training Precinct (SETP) PPP with the Department of Education and Training during 2010-11, which is offset by a corresponding decrease in expenditure.
3. Interest was higher than anticipated due to cash rate increases at the start of the financial year and higher bank balances during the course of the year.
4. Due to the reduced revenue, costs were managed to achieve savings in contractors, agency fees, computer expenses, telecommunications, printing and photocopying costs and savings through rental abatements. This is in addition to the decrease in expenditure as a result of the renegotiated funding arrangements for the SETP PPP.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

5. Changes due largely to renegotiated funding arrangements for the Southbank Education Training Precinct (SETP) PPP with the Department of Education and Training during 2010-11, which is offset by a corresponding decrease in expenditure.
6. Changes due largely to renegotiated funding arrangements for the SETP PPP with the Department of Education and Training during 2010-11, which is offset by a corresponding decrease in expenditure.
7. Enterprise bargaining agreements giving rise to a 4% increase in staff wages and increases in contribution to the SETP PPP, combined with a continuing decline in revenues are the predominant contributing factors for the forecast deficit of $9.9M in 2011-12.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

8. Increase due to demand for fee for service courses offered under FEE-HELP and anticipated growth in the commercial training market.
9. Funding for Higher Education FEE– HELP was provided in 2010-11, but will not continue in 2011-12.
10. Decline in interest due to lower bank balances than forecast.
11. Increase is predominantly the result of reimbursements to the Department of Education and Training for staff costs which have increased under enterprise bargaining agreements, as well as increases associated with annual desktop replacement program, rent and strategic initiatives such as Product Development and HR Proud Skills.
12. Enterprise bargaining agreements giving rise to a 4% increase in staff wages and increases in contribution to the SETP PPP, combined with a continuing decline in revenues are the predominant contributing factors for the forecast deficit of $9.9M in 2011-12.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

13. Increase due to demand for FEE-HELP as payments are received over six months versus upfront at the start of the semester.
14. Small increase is due to deferral of capital acquisitions which were budgeted in the prior year but only incurred in 2010-11 plus some donated assets.
15. Purchase of a contract management system under the SETP arrangements. This was originally budgeted for 2009-10 year, but was not acquired until 2010-11.
16. Unearned revenue for fees received in advance was incorrectly included in payables in the 2010-11 Budget figure. This was corrected in the 2010-11 Estimated actual and 2011-12 Estimate by including unearned revenue as Other.
17. Unearned revenue for fees received in advance was incorrectly included in payables in the 2010-11 Budget figure. This was corrected in the 2010-11 Estimated actual and 2011-12 Estimate by including unearned revenue as Other. Additionally, unearned revenue for fees received in advance is higher than anticipated.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

18. Decrease due to declining revenue and increased demand for FEE-HELP.
19. Increase due to increase in demand for FEE-HELP.
20. Unearned revenue for fees received in advance has been reclassified from Payables to Other non recurrent assets. Additionally, there is an overall increase in Payables due to increase in expenses expected in 2011-12, for example, staff costs have increased as a result of enterprise bargaining agreements.
21. Unearned revenue for fees received in advance has been reclassified from Payables to Other non recurrent assets, as well as fees received in advance being higher than anticipated.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

22. Decrease due to declining revenue and increased demand for FEE-HELP.
23. Increase due to increase in demand for FEE-HELP.
24. Increase in payables for payroll and rent.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

25. Decrease due to declining revenue due largely to a decline in international student demand resulting from changes in Migration Occupations in Demand List (MODL), strong exchange rate and increasingly competitive international market. There has also been a decline in demand for commercial training.
26. Changes due largely to renegotiated funding arrangements for the SETP PPP with the Department of Education and Training during 2010-11, which is offset by a corresponding decrease in expenditure.

27. Due to the reduced revenue, costs were managed to achieve savings in contractors, agency fees, computer expenses, telecommunications, printing and photocopying costs and rental abatements.
28. Purchase of a contract management system under the Southbank Education Training Precinct (SETP) arrangements was deferred from 2009-10 to 2010-11.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
29. Increase due to demand for fee for services courses offered under FEE-HELP and anticipated growth in the commercial training market.
30. Funding for Higher Education FEE–HELP was provided in 2010-11, but will not continue in 2011-12.
31. Increase is predominantly the result of reimbursements to the Department of Education and Training for staff costs which have increased under enterprise bargaining agreements, as well as increases associated with annual desktop replacement program, rent and strategic initiatives such as Product Development and HR Proud Skills.

PART 14

Department of Environment and Resource Management

Summary of departmental portfolio budgets

Page	Agency	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
3-108	Department of Environment and Resource Management – controlled	964,543	962,770	1,053,948
	Department of Environment and Resource Management – administered	45,791	48,027	45,024
3-133	Queensland Water Commission	24,407	21,202	26,574

Note:
1. Explanations of variances are provided in the financial statements.

DEPARTMENTAL OVERVIEW

MINISTERIAL RESPONSIBILITY

The Minister for Environment and Resource Management and Minister for Energy and Water Utilities are responsible for the Department of Environment and Resource Management (DERM) and the Queensland Water Commission (QWC).

STRATEGIC ISSUES

The Department of Environment and Resource Management conserves, protects and manages the State's environment and natural resources for today and for future generations.

The objectives of the department, as listed in the Strategic Plan 2011-15, are:

- natural resources and the environment are well managed
- client needs are understood and met
- decisions are evidence based.
- Queensland is prepared for climate change
- ecosystems are healthy, protected and bio-diverse
- indigenous land access and ownership is improved and Queensland's cultural heritage is conserved

The department supports and participates in the Government's plan for the future – *Toward Q2: Tomorrow's Queensland*. In particular the department:

- leads on the 2020 Green target: *Cut by one-third Queenslanders' carbon footprint with reduced car and electricity use*. The department leads Queensland's response to the challenge of climate change through implementation of the *ClimateQ: towards a greener Queensland* strategy. It is also implementing a State-wide waste management strategy aimed at reducing waste to landfill
- contributes to the 2020 Green target: *Protect 50 per cent more land for nature conservation and public recreation*. The department primarily contributes to this target by acquiring land for new areas of national park and by protecting Queensland's biodiversity values.
- contributes to the 2020 Strong target: *Queensland is Australia's strongest economy, with infrastructure that anticipates growth*. The department is involved in planning and regulating safe, reliable, fit-for-purpose and sustainable water supplies across Queensland
- contributes to the 2020 Strong target: *Increase by 50 per cent the proportion of Queensland businesses undertaking research and development or innovation*. The department participates in collaborative initiatives aimed at improving industry environmental performance and encouraging sustainable use of natural resources
- contributes to the 2020 Fair target*: Increase by 50 per cent the proportion of Queenslanders involved in their communities as volunteers*. The department provides information and resources to support volunteers in national parks and other areas of the department, and through the Green Nomads environmental volunteering placement program.

During the natural disasters that occurred over the 2010-11 summer, the department played a critical role in coordinating the State's response efforts and is now leading Queensland's environmental recovery, in line with the Queensland Reconstruction Authority's (QldRA) Community, Economic and Environmental Recovery and Reconstruction Plan (the State Plan). The department will work in partnership through the QldRA and communities to resolve critical environmental recovery issues, support the sustainable recovery of ecosystem services and natural resource management systems, and deliver ecologically sustainable development outcomes.

In the coming years the following factors will continue to impact on the department's operating environment:

- managing the natural resource and ecosystem impacts of more severe and frequent extreme weather events
- significant new industrial development, particularly, in the liquefied natural gas and mining sectors
- continued population growth, mainly in urban and coastal areas, will increase the community's demand for land and apply pressures on biodiversity
- maintaining community confidence in our capacity to protect the environment, despite increasing demand for the department's services
- facing the challenge of staying current with information technology to provide an accurate, consistent and timely response to service requests
- national policies, strategies and initiatives, including the National Water Initiative, the National Partnership Agreement to Deliver a Seamless National Economy and the carbon price mechanism from the Australian Government's Multi Party Climate Change Committee.

2011-12 HIGHLIGHTS

- The department will continue to lead the coordination of the Environment Line of Reconstruction for Operation Queenslander, the State Plan. Reconstruction will occur across nine categories: water and sewerage infrastructure; mining and industry; marine health; wildlife; riparian and coastal ecosystems; protected areas; landscapes; waste and contamination management; and cross-reconstruction activities.
- The Government is committed to making 50 per cent of North Stradbroke Island national park in 2011-12 with the agreement of the Quandamooka People through an Indigenous Land Use Agreement and ongoing implementation of the *North Stradbroke Island Protection and Sustainability Act 2011*.
- In implementing *Queensland's Waste Reduction and Recycling Strategy 2010–2020* the department will introduce new legislation and a comprehensive set of programs designed to discourage unnecessary disposal and foster new business opportunities. The Industry Waste Disposal Levy will apply from 1 December 2011. Funds will be used to improve Queensland's waste and resource management practices with targeted programs to help business, industry and local government to reduce the amount of waste generated, particularly in regional areas. Surplus funds will be provided to help support other key environmental initiatives designed to secure a sustainable future for Queensland.
- The ClimateSmart Home Service, the largest household carbon reduction program in Australia, is receiving an additional $60 million to extend the program by three years to December 2012, including $34.5 million in 2011-12. The Government's total investment over four years to December 2012 is $120 million to provide energy saving advice, information and products to approximately 430,000 households.

- Additional funding of $1.9 million in 2010-11 and $5.1 million per annum from 2011-12 is being provided for the implementation of the valuation reforms, including the department issuing over 1.6 million statutory land valuations annually for all rateable local government areas, implementation of quality assurance procedures for annual valuations, providing a centralised objection process and support the operations of a peer review process.
- To date, water supply security programs have been largely focused on South East Queensland. Additional funding of $12.2 million over five years commencing 2011-12 is being provided to deliver programs aimed at improving water security for areas outside of South East Queensland.
- The Government is making available to the department surplus revenue generated through sale of forest products that would otherwise contribute towards an operating surplus and be remitted to the Consolidated Fund. The additional funds totalling $10.5 million over four years commencing 2011-12 will be used to employ Queensland Parks and Wildlife Service rangers and to assist in the management of the national park estate.
- Additional funding of $7.8 million over five years commencing 2010-11 is being provided for enhancements to the Government Land Register for all government property assets, and also an accelerated program of allocation and disposal of unallocated State land to its most appropriate use and tenure.
- The Government is committed to implementing the strategic cropping land policy framework, which provides a strong approach for protecting Queensland's best cropping land resource. This includes the finalisation and implementation of new legislation and a new State Planning Policy by early 2012 aimed at identifying, conserving and managing strategic cropping land. Additional funding of $0.8 million was provided during 2010-11 to implement the framework. Funding requirements beyond 1 July 2011 are to be generated through user charges.
- The department will continue to improve the health of South East Queensland waterways by reducing rural and urban diffuse pollution through an allocation of $2 million to the Healthy Waterways program in 2011-12.
- The department has committed to a strong and proactive compliance program in regulating and monitoring the Coal Seam Gas (CSG) and Liquefied Natural Gas (LNG) industries. The department's compliance plan commits to:
  - undertake over 140 proactive audits and inspections of Environmental Authority conditions, CSG water management activities, LNG plant and Gladstone harbour dredging, hydraulic fracturing activities (including the use of restricted compounds) and beneficial use approvals;
  - an ongoing groundwater monitoring and regulatory regime to manage groundwater impacts of CSG water extraction over time, such as independent monitoring and auditing of 300 groundwater bores; baseline assessments; bore assessments and make good agreements; and
  - adaptive management principals in recognising and incorporating improved knowledge and technologies in minimising environmental risk associated with CSG and LNG activities.
- The department will continue in its whole-of-Government role of representing the State in native title litigation before the Federal Court. In recognition of the increasing litigation costs associated with the role, additional funding of $1 million per annum commencing 2011-12 is being provided.

- The Government will finalise its Biodiversity Strategy for Queensland, which will articulate Queensland's plan for conserving biodiversity throughout the state by reversing the decline in biodiversity and increasing the resilience of species, ecosystems and ecological processes. To support the strategy, $3.9 million has been made available over four calendar years as part of the *ClimateQ* Climate Change Corridors for Biodiversity initiative. The allocation will fund community action to build healthy, connected ecosystems for threatened and iconic species in response to the threats of climate change.
- As part of the Government's commitment to action on climate change the department will deliver a comprehensive, updated adaptation strategy that targets key sectors, addresses policy gaps and ensures that Queensland communities are best-equipped to cope with the full range of projected climate impacts.
- The department will undertake the first ever comprehensive and systematic assessment of risk to the wetlands of Queensland's Great Barrier Reef catchment area and the development of a community-based wetland condition monitoring guide.
- The Healthy HeadWaters Water Use Efficiency Project will help to achieve the long-term goal of improving irrigation efficiency and securing the viability of ecological assets in the Queensland Murray Darling Basin. The project targets investment at on-farm water use efficiency and the delivery of the water savings to both the environment and irrigators. The project is a bilateral project with the Australian government to upgrade irrigation infrastructure and practices through its *Water for the Future* initiative.
- A Queensland Biodiversity Offset Policy will be finalised to guide decisions on offsets for adverse impacts to State significant biodiversity values that cannot be avoided or minimised and to assist clients identify offset sites that are ecologically equivalent to impacts sites.
- The stock routes network reforms, including new stock route management legislation are intended to be finalised by the end of 2011, for implementation to commence by June 2012. These proposed reforms will include a revised classification system of stock routes, a new grazing authority framework and improved resources for local governments as the primary managers of the stock route network.
- The Green Tape Reduction project will be progressed and will deliver substantial improvements to Queensland's *Environmental Protection Act 1994*, including: a new licensing model that matches assessment effort to environmental risk; providing flexible operational approvals; streamlining the approvals process for the resources sector and streamlining information requirements.
- The Cooper and Fitzroy "Generation 2" Resource Operations Plans will be finalised, identifying strategies to establish additional tradeable water allocations. This will address the over allocation of groundwater in the Callide Valley and improve the protection of natural and cultural values of the catchments.
- *ClimateQ: toward a greener Queensland* is the centrepiece of Queensland's response to climate change. Of a total 39 *ClimateQ* initiatives, 9 will be delivered and 20 underway in 2011-12, building on the 10 initiatives that were delivered previously.

RECENT ACHIEVEMENTS

- The department assisted the Queensland Reconstruction Authority to prioritise mapping activities and produce on-demand map products for 164 disaster affected Queensland towns and suburbs. The capture of this imagery has resulted in the department creating 237 new publicly available mapping products.

- The department mobilised additional resources during the 2010-11 wet season to manage the potential risks to the environment due to uncontrolled discharges from mine sites as a result of extreme rainfall events. Between December 2010 and March 2011, the department processed 60 Transitional Environmental Programs to assist industry and mining companies in their recovery from the impacts of flooding while ensuring adequate safeguards for the environment and drinking water supplies.
- Queensland's Waste Reduction and Recycling Strategy 2010-20, released publicly in December 2010, provides a new direction for waste and resource management. The reforms will encourage Queenslanders to avoid waste, and to recycle and responsibly dispose of any residual waste.
- The new Queensland Coastal Plan was released to prepare the state for the impacts of climate change. The plan brings a much greater focus on managing urban development in the coastal zone, ensuring that new urban areas are not located in coastal hazard areas. Coastal hazard impacts on existing urban areas will be mitigated through the preparation of community-at-risk scale adaptation plans based on sea level rise climate change projections.
- There have been significant regulatory changes:
  - in late 2010, amendments were made to the *Environmental Protection Act 1994* to regulate the use of compounds containing benzene, toluene, ethylbenzene and xylenes to ensure the coal seam gas industry continued to avoid deliberate use of these compounds in well stimulation activities;
  - a new regulatory framework was established to manage the potential cumulative impact on water supply bores and springs from the extraction of groundwater by petroleum tenure holders, including coal seam gas activities; and
  - amendments were also made to the recycled water provisions of the *Water Supply (Safety and Reliability) Act 2008* to protect public health where the supply of coal seam gas water, as recycled water, augments urban communities' drinking water supply sources.
- A new team has been established as a "one stop shop", merging the responsibilities of the department and the Department of Employment, Economic Development and Innovation, for the provision of information, resolution of landholders' complaints and delivery of enforcement activities related to the coal seam gas industry. In order to support the establishment of this unit, DERM has employed more than 30 additional staff to assist in the regulation of the coal seam gas industry. The majority of these staff are regionally based throughout key areas of coal seam gas activity.
- The Government's strategy to protect North Stradbroke Island and to provide land justice for its Traditional Owners achieved a major milestone with the passage of the *North Stradbroke Island Protection and Sustainability Act 2011* and declaration of 20 per cent of the island as national park.
- In September 2010, the *Land Valuation Act 2010* received assent, significantly reforming and streamlining the statutory land valuation system. This legislative framework enabled the Valuer-General to issue, on 3 May 2011, approximately 1.65 million site and unimproved statutory land valuations in all 58 rateable local government areas.
- Finalisation of the Baffle Water Resource Plan and the Mary Resource Operations Plan has progressed the department's national commitments to managing the State's water for now and into the future.
- The activities required to deliver the 2009 Election Commitment at Kirra Beach have been completed at a cost of $1.1 million. The beach will continue to improve with natural levels of sand now being delivered through the Tweed River Entrance Sand Bypassing Project.

- Approximately 95,000 ClimateSmart Home Services were delivered during 2010-11, resulting in a total of approximately 280,000 households receiving the service by 30 June 2011. This program demonstrates the department's leadership of the Government's *Toward Q2: Tomorrow's Queensland* 2020 Green target - *Cut Queenslanders' carbon footprint by one third with reduced car and electricity use*.
- The First Great Barrier Reef Report Card was developed this year, incorporating paddock and catchment modelling that evaluated management practice changes and remote sensing information on groundcover, riparian vegetation and wetlands.
- The department delivered clear guidance for local governments on how to factor climate change into flood risk assessments, as part of the Inland Flooding Study in partnership with the Local Government Association of Queensland.
- The Nature Assist project has acquired more than 2.8 million hectares of nature refuges protecting high quality conservation values throughout Queensland. This contributes to the State's conservation target to achieve 20 million hectares of all forms of protected area by 2020.
- The Cooloola Recreation Area was declared, effective from 17 October 2010, extending from Noosa North Shore to Rainbow Beach to provide for enhanced management of this popular coastal destination encompassing the Cooloola Section of the Great Sandy National Park.
- On 18 March 2011, the department provided a system to assess and manage the cumulative underground water impacts from multiple petroleum tenures for the Surat and Southern Bowen Basin areas, including the alluvium of the Condamine River.
- The department has implemented the Koala Response Strategy, with the Koala Nature Refuges program rehabilitating 58 hectares of private land to date. In total, almost 150 hectares of koala habitat has been secured.

DEPARTMENTAL SERVICES

The four departmental service areas, Climate Change, Environment, Land and Water will deliver against one or more strategies under each of the departmental objectives outlined in the Department of Environment and Resource Management Strategic Plan 2011-15.

Climate change

The objective of this departmental service area is meeting the challenge of Climate Change. This is delivered through initiatives aimed at ensuring that:
- Queensland's carbon footprint is reduced
- Queensland is prepared for the impacts of Climate Change.
- Queensland's response is informed by the best available science.

Environment

The objective of this departmental service area is conserving our natural environment. This is delivered through initiatives aimed at ensuring that:
- Queensland's unique biodiversity is protected
- Queensland's protected area estate and marine parks are well managed
- Queensland's unique ecosystems, landscapes, marine environments and native flora and fauna are conserved
- pollution is prevented or controlled
- Queenslanders reduce waste generation and disposal
- Queensland's natural resources are proactively managed and monitored for productive use and environmental protection
- Queensland's environmental values are protected, including air, water and soil quality.

Land

The objective of this departmental service area is to manage our natural resources, improve indigenous land ownership and conserve Queensland's cultural heritage. This is delivered through initiatives aimed at ensuring:

- confidence and integrity in land systems and information
- managing land wisely.

Water

The objective of this departmental service area is securing water for Queensland's future. This is delivered through initiatives aimed at ensuring:

- water is allocated and sustainably managed
- water levels and quality of surface and groundwater systems are monitored
- Queenslanders conserve water at home, work and in their communities
- secure, safe and reliable water supplies are provided to Queensland communities.

STAFFING[1]

Service areas	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
Services	2			
Climate Change	3	105	141	141
Environment	3	2,501	2,909	2,909
Land	3,4	1,834	1,607	1,656
Water	3	957	924	924
Total		**5,397**	**5,581**	**5,630**

Notes:
1. Full-time equivalents (FTEs).
2. Corporate FTEs are allocated across the services to which they relate.
3. The variances between 2010 -11 Budget and 2010 -11 Est. Actual distribution by Service Area are primarily due to the reallocation of staff across DERM e.g. the transfer of FTEs from the Sustainable Industries Branch from Environment Service Area to the Climate Change Service Area. FTEs were also transferred into the Environment Service Area to develop and implement the Queensland Waste Reform Strategy. The increase variations across both Climate Change and Environment services are also reflective of a small number of vacant positions being filled in the latter part of the financial year.
4. The increase between the 2010-11 Est. actual and the 2011-12 Estimate for the Land Service is due to an additional 49 FTEs for the Strategic Cropping Land project.

2011-12 SERVICE SUMMARY[1]

Service areas	Total cost $'000	Sources of revenue			
		State Contribution $'000	User charges $'000	C'wealth revenue $'000	Other revenue $'000
Climate Change	64,774	62,521	249	..	2,004
Environment	491,934	425,421	5,127	33,781	27,605
Land	244,473	167,507	50,351	1,000	25,615
Water	248,317	192,276	2,290	41,171	12,580
Total[2,3]	**1,049,498**	**847,725**	**58,017**	**75,952**	**67,804**

Notes:
1. Explanations of variances are provided in the financial statements.
2. The department provides corporate service functions to the Queensland Water Commission on a fee for service basis. The cost of service delivery and associated revenue has been excluded from the above table.
3. Australian Government funding received via appropriated Service receipts has been included under Commonwealth revenue in the above table.

ADMINISTERED ITEMS

DESCRIPTION

The department's administered responsibilities include the following:

Environment Protection Related Regulatory Fees

The department collects a range of regulatory fees associated with environmental monitoring, authorities and development applications, permits for commercial activity in or near parks, the keeping of wildlife, and licensing of the recreational and commercial harvesting of wildlife. These fees are generally levied on business and local government in relation to environmental licensing and on members of the community and small business in relation to permits for commercial activities and wildlife and the licensing of wildlife harvesting.

Waste Disposal Levies

Waste disposal levies are generally payable on waste transported to waste disposal facilities by the commercial, industrial, construction and demolition sectors. The levies, calculated on a per tonne basis, are collected by waste disposal facility operators and remitted to the department on a regular basis.

Land Title Act Fees

Revenue is collected under the *Land Title Act 1994* for the lodgement of documents to secure ownership and other interests in land and other resources and record related information. Customers include individuals and organisations, both in Queensland and elsewhere, with interests in the State's resources. The client groups include landowners, government agencies, industry groups, financial institutions, solicitors and other service providers.

Lease of State Land

Annual rentals and instalments are collected on land leased from the State and on various permits issued over State land under the *Land Act 1994*.

Water Infrastructure Maintenance

The State is responsible for the upkeep of a number of non-commercial dams and weirs that do not form part of any irrigation scheme. Adequate maintenance and improvement must be undertaken to protect the public from unsafe structures and prevent property loss as a result of structural failure.

Unsafe structures may be decommissioned or, where appropriate, repaired before responsibility for the ongoing maintenance of the structures is transferred to organisations such as local authorities.

DEPARTMENTAL STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Climate Change - Service standards				
Average cost to deliver the ClimateSmart Home Service on a per household basis	1	New measure	New measure	$320
Average tonnes reduction in annual household emissions from electricity use, fuel and waste to landfill	2,3	New measure	New measure	0.5
Average percentage savings in greenhouse gas emissions by EcoBiz partner companies	4,5	10%	18%	18%
Other measures				
Percentage of Premier's Council on Climate Change recommendations adopted by Government	6	New measure	New measure	80%
Private to public investment ratio for projects supported by the Queensland Sustainable Energy Innovation Fund	7	5:1	6.5:1	8:1
State contribution ($000)		**27,667**	**55,981**	**62,521**
Other revenue ($000)		**1,822**	**2,251**	**2,253**
Total cost ($000)		**29,489**	**58,232**	**64,774**
Service Area: Environment - Service standards				
Tonnage of recyclable materials from stadia, public venues and public events diverted from the waste stream into recycling	8	600	600	600
Average time taken to upload air quality monitoring data to the DERM website	9	New measure	New measure	2 hour
Delivery of infrastructure projects on Queensland Parks and Wildlife Services managed estates, as measured by the capital works activity index.	10,11	90%	80%	90%
The annual increase in hectares of Land for Nature Conservation (National Parks)	12	New measure	81,000 hectares	350,000 hectares
Increase in the area (million hectares) of high conservation quality land gazetted as nature refuge	13	1	1	0.466
Other measures				
Indigenous involvement in Cape York protected area management	14,15	25%	30%	30%

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Implement the Queensland Parks and Wildlife Services (QPWS) Strategic Pest Management Program, measured as a percentage of projects delivered annually		90%	90%	90%
Implementation of Queensland Parks and Wildlife Service (QPWS) fire management system, measured by planned burns implemented as a percentage of the QPWS managed estate	16	5%	4%	5%
Number of sites engaging in activities regulated under the *Environmental Protection Act 1994*, inspected for compliance	17,18			
• Level A (Basic inspections)		180	300	180
• Level B (Condition audit)		430	430	430
• Level C (Performance audit)		80	80	80
Percentage of environmental authorities administered under the *Environmental Protection Act 1994* that are issued within statutory timeframes	19	100%	99%	100%
Annual increase of the number of hectares of vegetation communities and ecosystems mapped to support key policy programs	20	6,000,000	6,000,000	5,000,000
State contribution ($000)		**389,945**	**387,281**	**425,421**
Other revenue ($000)		**97,396**	**75,655**	**66,513**
Total cost ($000)		**487,341**	**462,936**	**491,934**
Service Area: Land - Service standards				
Total of Forest Product sales quantities per total Forest Product Full Time Equivalent (FTE)				
• Native forest timber (m³/FTE)		2,140	2,137	2,255
• Quarry material (m³/FTE)		32,560	40,700	36,275
Resolution of outstanding Native Title Claims		New measure	New measure	10%
Percentage of Aboriginal and Torres Strait Islander Land Trusts compliant and effectively managing their land		New measure	New measure	50%
Other measures				
Percentage of *Sustainable Planning Act 2009* development applications assessed within legislative timeframes	21	100%	98.1%	100%
Information resources downloaded via Information Queensland Website	22	New measure	New measure	22,800
Number of parcels of the unallocated State land portfolio allocated to their most appropriate use and tenure.	23	New measure	New measure	300 parcels

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Accuracy of registration of title dealings to deliver public confidence in the integrity of the State's titling system.	24	99.5%	99.8%	99.5%
Percentage of records processed within customer service standards				
• Titles Registry (in 5 days)		90%	95%	90%
• Digital Cadastral Database (in 7 days)		90%	94%	90%
State contribution ($000)		**186,764**	**177,181**	**167,507**
Other revenue ($000)		**71,695**	**58,494**	**76,966**
Total cost ($000)		**257,199**	**234,417**	**244,473**
Service Area: Water				
Service standards	25			
Percentage of high priority risks identified in aquatic ecosystem health trend reports that have an appropriate management intervention developed and actions are satisfactorily progressed		100%	100%	100%
Percentage of Queensland's natural water systems with appropriate quality and ecosystem health monitoring frameworks in place		67%	67%	67%
Other measures				
Percentage of the State's drinking water services that have appropriate drinking water quality monitoring and response frameworks in place	26	100%	100%	100%
Cumulative number of wild river declarations finalised	27	10	10	12
Percentage of the State's natural surface water systems managed in accordance with National Water Initiative compliant water planning guidelines	28	73%	69%	76%
Percentage of water resource management dealings processed within customer service standards:	29			
• licence applications		75%	75%	75%
• licence transfers and renewals		85%	90%	90%
State contribution ($000)		**156,472**	**158,678**	**192,276**
Other revenue ($000)		**30,284**	**42,842**	**56,041**
Total cost ($000)		**186,756**	**201,520**	**248,317**

Notes:
1. This measure has replaced a discontinued measure to provide improved reporting and to measure the efficiency of the cost to deliver the ClimateSmart Home Service.
2. This measure has replaced a discontinued measure to provide improved reporting on the State Government's efforts to reduce Queensland households' carbon footprint.
3. The Department of Environment and Resource Management is the lead department for the Toward Q2: Tomorrow's Queensland Green – Carbon footprint target. For further information on this Toward Q2: Tomorrow's Queensland target measure and its contributing departments, please refer to the Target Delivery Plan found on the www.TowardQ2.qld.gov.au website.

4. The wording of this measure has been adjusted to make the measure easier to understand.
5. The 2010-11 target was based on broader industry averages for achieving energy efficiency, but the EcoBiz program was more successful than expected in 2010-11 in achieving greenhouse gas savings in participating companies. The target has been increased for 2011-12.
6. This measure has replaced a discontinued measure to provide improved reporting on successfully developed recommendations that are able to be implemented by Government.
7. The success of projects funded by the Queensland Sustainable Energy Innovation Fund has resulted in a higher than expected private to public investment ratio in 2010-11 and a higher target for 2011-12
8. Preliminary information suggests that the 2010-11 target will most likely be exceeded, but this can only be confirmed from annual data collected from public place recycling participants after 30 June 2011.
9. This measure has been implemented to provide more effective and efficient reporting in relation to air quality data. It replaces a discontinued measure.
10. The unprecedented prolonged wet season and the influence of State-wide flooding, Tropical Cyclones Anthony and Yasi, and monsoonal flooding has prevented access to many construction sites by staff and contractors and has also prevented work at many sites. Some delays are still being experienced through the availability of contractors and it is expected that in the aftermath of the widespread flood damage this could continue for the remainder of the year.
11. The wording of this measure has been adjusted to make the measure easier to understand.
12. The 2010-11 Estimated actual of 81,000 hectares includes Koombooloomba National Park, Little Mulgrave National Park, Naree Budjong Djara (North Stradbroke Island) National Park, Gadgarra National Park and Mount Abbot National Park. The 2011-12 Target/estimated of 350,000 hectares is expected to comprise approximately 80,000 hectares in acquisitions, 150,000 hectares in State forest transfers and 120,000 hectares for Cape York gazettals. The Department of Environment and Resource Management is a contributing department for the Toward Q2: Tomorrow's Queensland Green – Greenspace target. The Department of Local Government and Planning is the lead department for this target and the land for public recreation component of the target is reported in the Department of Local Government and Planning's Service Delivery Statement. For further information on the Toward Q2: Tomorrow's Queensland target measures and their contributing departments, refer to the Target Delivery Plan found on the www.TowardQ2.qld.gov.au website.
13. The 2011-12 Target/estimate is lower than the 2010-11 Target/estimate and the 2010-11 Est. actual, as many of the larger properties have now been recruited into the program. The program has an approved five year plan and within that plan 2011-12 will concentrate on a higher proportion of smaller properties with strong conservation values, such as connectivity between other protected areas. The 2011-12 Target/estimate is consistent with the requirements to meet the Government's Toward Q2 Green target.
14. The recent establishment and funding of additional indigenous identified ranger positions has enabled targeted recruitment of indigenous people.
15. The wording of this measure has been adjusted to make the measure easier to understand.
16. Fire target of 5% is not expected to be reached by the end of the 2010-11 year due to prolonged wet weather preventing planned burns. QPWS places the highest priority on protecting life followed by protecting property and environmental values in its fire management program. While the primary purpose of approximately half the planned burns implemented to date for the year has been for hazard reduction (for life and property protection), all planned burns serve multiple purposes.
17. Site inspections under the Environmental Protection Act 1994 Level A – basic inspections 3rd Quarter reporting shows a marked increase in Level A inspections, as DERM have proactively undertaken visual checks of many flood impacted premises or a more detailed assessment of only a portion of the operations such as, stormwater management controls or containment dam levels.
18. The wording of this measure has been adjusted to make the measure easier to understand.
19. The Quarter 3 result for 2010-11 was 99% as one registration certificate was approved outside timeframes. It was delayed as a result of flooding in Brisbane and subsequent skeleton staffing, which led to it being received in action office (Toowoomba) after the due date for a decision.
20. Wet weather has impacted on field work and access to survey areas. This will result in a reduction to 5 million hectares per year for the 2011-12 financial year.
21. The shortfall was due to some process/systems issues, including system tracking and reporting limitations. Further enhancements to the Ecotrack system are due to come into effect in June 2011. Training and amended administrative processes have also been developed and implemented to help address the shortfall.
22. This measure has replaced a discontinued measure to provide improved reporting.
23. In this context, a "parcel" is an area of Unallocated State Land defined with a lot on plan description and associated cadastral boundaries, which is similar to how a freehold parcel or a reserve parcel of land is defined.
24. The wording of this measure has been adjusted to make the measure easier to understand.
25. A suitable measure of efficiency is currently being investigated.
26. The wording of this measure has been adjusted to make the measure easier to understand.
27. The Federal Parliamentary Inquiry into Queensland's wild rivers laws has delayed the progression of the wild rivers program. Declaration proposals for the eight remaining wild river declarations on the Cape York Peninsula are now anticipated to commence in 2011-12.
28. Queensland is an active participant in the National Water Initiative (NWI) Agreement and continues to progress a water reform framework that includes the development of water resource plans. This provides for the sustainable management of water between human consumptive needs and environmental values. To be NWI compliant a water system requires a water resource plan and resource operations plan. The development of resource operations plans implements the outcomes and strategies specified in the water resource plan. Resource operations plans for the Baffle and Whitsunday catchments were delayed during 2010-11 and will now be finalised during 2011-12. This measure has replaced a discontinued measure to provide improved reporting on surface water.
29. The better-than-target result for licence transfers and renewals is associated with improvements to administrative and electronic processes; In line with the better result, a higher target is proposed target for 2011-12 year.

INCOME STATEMENT

Department of Environment and Resource Management	Notes	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue	1,9,16	806,264	803,414	883,896
User charges	2,10,17	58,076	46,396	62,467
Grants and other contributions	3,11,18	65,841	79,185	71,572
Other revenue		35,520	33,630	35,868
Gains on sale/revaluation of property, plant and equipment and investments		100	145	145
Total income		**965,801**	**962,770**	**1,053,948**
Expenses				
Employee expenses	4,12,19	481,241	485,761	505,186
Supplies and services	5,13,20	261,735	278,727	318,110
Grants and subsidies	6,14,21	134,349	106,994	140,485
Depreciation and amortisation		76,937	76,222	78,155
Finance/borrowing costs		150	..	..
Other expenses	7,22	10,047	12,808	11,012
Losses on sale/revaluation of property, plant and equipment and investments	8,15	84	1,000	1,000
Total expenses		**964,543**	**961,512**	**1,053,948**
OPERATING SURPLUS/(DEFICIT)		**1,258**	**1,258**	**..**

STATEMENT OF CHANGES IN EQUITY

Department of Environment and Resource Management	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		85,614	101,658	110,197
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**85,614**	**101,658**	**110,197**
Surplus/(deficit) for the period		1,258	1,258	..
Total recognised income and expense for the period		**86,872**	**102,916**	**110,197**
Equity injection/(withdrawal)		(29,334)	(23,907)	(31,181)
Equity adjustments (MoG transfers)	23,24	..	30,617	..
Total movement in equity for period		**57,538**	**109,626**	**79,016**

BALANCE SHEET

Department of Environment and Resource Management	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	25,36,47	64,312	122,717	123,730
Receivables		41,040	40,527	40,982
Other financial assets		..	..	..
Inventories		2,104	2,230	2,230
Other	26,37	19,509	13,827	13,827
Non-financial assets held for sale		161	217	217
Total current assets		**127,126**	**179,518**	**180,986**
NON-CURRENT ASSETS				
Receivables	27,38	180	438	438
Other financial assets	28,39	..	3,123	3,123
Property, plant and equipment	29,40,48	3,627,580	3,596,510	3,666,808
Intangibles	30,41	34,074	36,855	42,624
Other		..	..	..
Total non-current assets		**3,661,834**	**3,636,926**	**3,712,993**
TOTAL ASSETS		**3,788,960**	**3,816,444**	**3,893,979**
CURRENT LIABILITIES				
Payables	31,42	50,903	44,776	43,925
Accrued employee benefits		..	12,672	12,672
Interest-bearing liabilities and derivatives		630	630	689
Provisions		..	..	..
Other	32,43	73,677	97,870	97,870
Total current liabilities		**125,210**	**155,948**	**155,156**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		689	689	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**689**	**689**	**..**
TOTAL LIABILITIES		**125,899**	**156,637**	**155,156**
NET ASSETS/(LIABILITIES)		**3,663,061**	**3,659,807**	**3,738,823**
EQUITY				
Capital/contributed equity	33,44,49	3,477,118	3,592,184	3,561,003
Accumulated surplus/(accumulated deficit)	34,45	10,149	(38,378)	(38,378)
Reserves:				
- Asset revaluation surplus	35,46	175,794	106,001	216,198
- Other (specify)		..	..	..
TOTAL EQUITY		**3,663,061**	**3,659,807**	**3,738,823**

CASH FLOW STATEMENT

Department of Environment and Resource Management	Notes	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts	50,62,71	806,264	816,269	883,896
User charges	51,63,72	63,330	52,650	68,721
Grants and other contributions	52,64,73	63,134	76,478	68,865
Other		59,830	57,940	60,178
Outflows:				
Employee costs	53,65,74	(481,241)	(485,761)	(505,186)
Supplies and services	54,66,75	(284,396)	(302,388)	(341,771)
Grants and subsidies	55,67,76	(134,349)	(106,994)	(140,485)
Borrowing costs		(150)	..	..
Other	56,77	(15,600)	(18,361)	(16,565)
Net cash provided by/(used in) operating activities		**76,822**	**89,833**	**77,653**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		446	491	491
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	57,68,78	(44,631)	(90,255)	(45,320)
Payments for investments	58,79	..	(1,700)	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(44,185)**	**(91,464)**	**(44,829)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	59,69,80	35,583	51,018	29,559
Outflows:				
Borrowing redemptions		(577)	(577)	(630)
Finance lease payments		..	..	..
Equity withdrawals	60,81	(64,917)	(74,925)	(60,740)
Net cash provided by/(used in) financing activities		**(29,911)**	**(24,484)**	**(31,811)**
Net increase/(decrease) in cash held		**2,726**	**(26,115)**	**1,013**
Cash at the beginning of financial year	61,70,82	**61,586**	**148,832**	**122,717**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**64,312**	**122,717**	**123,730**

ADMINISTERED INCOME STATEMENT

Department of Environment and Resource Management	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Revenues				
Commonwealth grants		..	..	..
Taxes, fees and fines	83,90,94	260,912	221,533	309,968
Royalties, property income and other territorial revenue	84,91,95	66,413	82,102	89,230
Interest		2,164	2,164	2,164
Administered revenue	85,96	5,386	7,622	4,619
Other	86,92	166,185	214,435	218,188
Total revenues		**501,060**	**527,856**	**624,169**
Expenses				
Supplies and services	87	1,296	2,044	956
Depreciation and amortisation		185	185	185
Grants and subsidies	88,96	3,858	5,346	3,663
Benefit payments		..	..	..
Borrowing costs		..	..	..
Other		40,452	40,452	40,220
Total expenses		**45,791**	**48,027**	**45,024**
Net surplus or deficit before transfers to Government		**455,269**	**479,829**	**579,145**
Transfers of administered revenue to Government	89,93,97	**338,269**	**314,579**	**410,142**
OPERATING SURPLUS/(DEFICIT)		**117,000**	**165,250**	**169,003**

ADMINISTERED BALANCE SHEET

Department of Environment and Resource Management	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	98,103	19,067	28,626	28,626
Receivables	98,103	31,974	25,931	25,931
Inventories		..	..	..
Other	98,103	35,449	29,308	29,308
Non-financial assets held for sale	98,103	8,421	95	95
Total current assets		**94,911**	**83,960**	**83,960**
NON-CURRENT ASSETS				
Receivables	98,104,109	41,918	53,243	48,743
Other financial assets		..	..	..
Property, plant and equipment	99,105,110	67,528,914	66,778,706	69,100,805
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**67,570,832**	**66,831,949**	**69,149,548**
TOTAL ADMINISTERED ASSETS		**67,665,743**	**66,915,909**	**69,233,508**
CURRENT LIABILITIES				
Payables	98,103	12,346	9,906	9,906
Transfers to Government payable	98,103	16,929	27,971	27,971
Interest-bearing liabilities		..	..	..
Other	98,103	38,028	29,713	29,713
Total current liabilities		**67,303**	**67,590**	**67,590**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Interest-bearing liabilities		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL ADMINISTERED LIABILITIES		**67,303**	**67,590**	**67,590**
ADMINISTERED NET ASSETS/(LIABILITIES)		**67,598,440**	**66,848,319**	**69,165,918**
EQUITY				
Capital/Contributed equity	100,106,111	23,597,427	23,855,448	23,835,980
Accumulated surplus/(Accumulated deficit)	101,107,112	301,392	477,024	646,027
Reserves:		..	..	..
- Asset revaluation surplus	102,108,113	43,699,621	42,515,847	44,683,911
- Other (specify)		..	..	..
TOTAL ADMINISTERED EQUITY		**67,598,440**	**66,848,319**	**69,165,918**

ADMINISTERED CASH FLOW STATEMENT

Department of Environment and Resource Management	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Administered item receipts	114,127	5,386	10,026	4,619
Grants and other contributions	115,122,128	2,000	250	4,003
Taxes, fees and fines	116,123,129	260,912	221,533	309,968
Royalties, property income and other territorial revenues	117,124,130	66,413	82,102	89,230
Other		6,485	6,485	6,485
Outflows:				
Transfers to Government	118,125,131	(338,269)	(314,579)	(410,142)
Grants and subsidies	132	(3,858)	(5,177)	(3,663)
Supplies and services	119	(1,644)	(2,392)	(1,304)
Borrowing costs		..	..	..
Other		(9,425)	(9,425)	(9,193)
Net cash provided by/(used in) operating activities		**(12,000)**	**(11,177)**	**(9,997)**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		31,068	31,068	31,068
Investments redeemed		..	..	..
Loans and advances redeemed		12,000	12,000	12,000
Outflows:				
Payments for property, plant and equipment and intangibles	120,126,133	(52,316)	(79,010)	(6,103)
Payments for investments		..	..	..
Loans and advances made		(7,500)	(7,500)	(7,500)
Net cash provided by/(used in) investing activities		**(16,748)**	**(43,442)**	**29,465**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	121,126,133	50,316	75,986	2,100
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		(21,568)	(21,568)	(21,568)
Net cash provided by/(used in) financing activities		**28,748**	**54,418**	**(19,468)**
Net increase/(decrease) in cash held		**..**	**(201)**	**..**
Administered cash at beginning of financial year		**19,067**	**28,827**	**28,626**
Cash transfers from restructure		..	..	..
Administered cash at end of financial year		**19,067**	**28,626**	**28,626**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. Service revenue increased with additional State funding for climate change related activities, the new property valuation methodology, strategic natural resource management and protection of the Great Barrier Reef. The increase is partly offset by the deferral of funding for koala protection initiatives, dam spillway upgrades, Great Artesian Basin sustainability and the North Stradbroke Island national park together with the reclassification of certain funding received from the Australian Government as grant revenue and the conversion of funding to equity to acquire land for koala protection.
2. Revenue from user charges relating to real estate market transactions fell with the downturn in activity following the 2011 floods.
3. Grant revenue increased with the reclassification of certain Australian Government funding from Service receipts. The increase was partly offset by falls in other Australian Government grants following new funding arrangements.
4. Employee expenses increased due to outlays associated with initiatives such as the new property valuation methodology, coal seam gas industry regulation and management of State owned and strategic cropping land.
5. Supplies and services expenses increased mainly due to additional outlays on climate change related activities.
6. Grants and subsidy outlays fell with the redirection of koala protection grant funding to land acquisitions for koala protection, the deferral of koala protection related grants pending availability of suitable areas of land and deferral of dam spillway upgrade grants with works not yet undertaken by dam owners. The decrease is partly offset by grants for vegetation protection deferred from 2009-10 and for flood damage restoration.
7. Other expenses increased mainly as a result of the settlement of a compensation claim in relation to forest logging.
8. Losses on disposal of assets increased with the write off of flood damaged assets.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

9. Service revenue increases due to additional State funding for climate change and other initiatives such as expanding the national park estate, dam spillway upgrades, the waste reform strategy, improving regional water security and introduction of a new land valuation methodology. The increases are partly offset by a net reduction in Australian Government funded initiatives resulting from the reclassification of certain funding to grant revenue.
10. Revenue from user charges increases mainly due to the introduction of fees associated with the protection of strategic cropping land.
11. Grant revenue decreases due to additional revenue from the reclassification from Service revenue of certain Australian Government funding being offset by an expected reduction in grant revenue from other sources.
12. Employee expenses increase due to award related increases and additional staff to manage State owned and strategic cropping land, and the new property valuation methodology, and the national park estate.
13. Supplies and services expenses increase mainly due to additional outlays on the ClimateSmart Home Service and improving regional water security.
14. Grants and subsidy payments increase with additional payments for dam spillway upgrades. The increase is partly offset by the deferral of grants for koala protection, the waste management strategy and healthy headwaters initiatives.
15. Losses on disposal of assets increased with the write off of flood damaged assets.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

16. Service revenue increases due to additional State funding for climate change and other initiatives such as expanding the national park estate, the koala response strategy, dam spillway upgrades, the waste reform strategy, and improving regional water security. These increases, together with increases Australian Government for Healthy Headwaters initiatives, are partly offset by reduced funding for vegetation management as initiatives are finalised.
17. Revenue from user charges increases mainly due to the introduction of fees associated with the protection of strategic cropping land.
18. Grant funding received from sources other than the Australian Government is expected to decrease.
19. Employee expenses increase mainly due to award related increases and additional costs associated with the implementation of the waste reform strategy, management of the national park estate and strategic cropping land, and implementation of the new property valuation methodology.
20. Supplies and services expenses increase mainly due to additional outlays on climate change related activities, the waste reform strategy, expanding the national park estate and improving regional water security.
21. Grants and subsidy payments increase mainly as a result of additional outlays for dam spillway upgrades and the Australian Government funded Healthy Headwaters initiative. The increases are partly offset by reduced grants for vegetation management as initiatives are finalised.
22. Other expenses are expected to fall as a compensation claim in relation to forest logging was settled in 2010-11.

Statement of changes in equity

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

23. Equity adjustments (MoG transfers) increased as a result of the transfer of office fit out costs and herbarium from other Government departments.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

24. Equity adjustments (MoG transfers) in 2010-11 included the transfer of office fit out costs and herbarium from other Government departments.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

25. The cash balance increased with higher than forecast advances for land purchases on behalf of other agencies and unexpended grant monies held at year end.

26. Other current assets fell with lower than forecast prepaid expenses and unexpended advances for land purchases.
27. Non-current receivables represent future instalments on freehold leases. New lease agreements entered into in 2009-10 were higher than expected resulting in an increase in the value of future instalments receivable.
28. Other financial assets represent the department's investments in EcoFund in late 2009-10 and in 2010-11.
29. Property assets decreased with devaluations in late 2009-10. The decrease was partly offset by transfers of land for national park purposes, accommodation fit out costs and increased land acquisitions for vegetation protection, koala protection and the National Park Estate.
30. Intangibles increased in value with investment in strategic land management systems and the reallocation of available capital budget to more accurately reflect the department's capital acquisition program.
31. Payables were adjusted in accordance with actual balances at 30 June 2010. The balance fluctuates from year to year and cannot be accurately forecast.
32. Budgeted amount for other current liabilities included unexpended advances held for land purchases on behalf of other agencies and unearned grant funding. Balances fluctuate from year to year with the June 2011 balances adjusted to reflect actual balances at 30 June 2010 when advances for land acquisitions increased and unearned grant revenue decreased as a result of a change in accounting policy.
33. Capital/Contributed equity increased mostly due to transfers of administered land to the National Park Estate and accommodation fit out costs.
34. The Accumulated deficit mainly results from asset devaluations in late 2009-10 which were reported as an expense in the department's Financial Statements for the year ended 30 June 2010. The deficit was partly offset by additional revenue resulting from the change in accounting policy in respect to recognition of unearned grant revenue.
35. Asset devaluations in late 2009-10 are partly offset by revaluations upward in 2010-11.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
36. The cash balance increase reflects higher advances for land purchases on behalf of other agencies, unexpended grant monies and cash reserves for future asset replacements.
37. Other current assets fall due to expected reductions in prepayments and unexpended advances for land purchases.
38. Non-current receivables on freehold leases are adjusted to reflect the actual balance at 30 June 2010.
39. Other financial assets represent the department's investments in EcoFund in late 2009-10 and in 2010-11.
40. Property assets increase with devaluations in 2009-10 being offset by revaluations in 2010-11 and 2011-12, transfers of land for national park purposes and accommodation fit out costs and land acquisitions for vegetation protection and the National Park Estate.
41. Intangibles increased in value due to investment in strategic land management systems and the reallocation of available capital budget to more accurately reflect the department's capital acquisition program.
42. Payables are adjusted in accordance with actual balances at 30 June 2010. The balance fluctuates from year to year and cannot be accurately forecast.
43. Other current liabilities budgeted amount included unexpended advances held for land purchases on behalf of other agencies and unearned grant funding. Balances fluctuate from year to year with the June 2011 balances adjusted to reflect actual balances at 30 June 2010 when advances for land acquisitions increased and unearned grant revenue decreased as a result of a change in accounting policy.
44. Capital/Contributed equity increases mostly due to transfers of land for national park purposes and accommodation fit out costs and funding to acquire national park land being partly offset by equity withdrawals to return depreciation funding not required for asset replacement to Consolidated Fund.
45. The Accumulated deficit mainly results from asset devaluations in late 2009-10 which were reported as an expense in the department's Financial Statements for the year ended 30 June 2010. The deficit was partly offset by additional revenue resulting from the change in accounting policy in respect to recognition of unearned grant revenue.
46. Forecast asset revaluations upwards in 2010-11 and 2011-12 offset asset devaluations in late 2009-10.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
47. The cash balance increase reflects higher reserves for future asset replacements.
48. Property assets increase mainly due to asset revaluations and land acquisitions for the National Park Estate.
49. Capital/Contributed equity decreases with funding for land acquisitions for the National Park Estate being offset by equity withdrawals reflecting the return of depreciation funding not required for asset replacements to Consolidated Fund.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
50. Service revenue increased due to additional State funding for climate change related activities, the new property valuation methodology, strategic natural resource management and protection of the Great Barrier Reef. The increase is partly offset by the deferral of funding for koala protection initiatives, dam spillway upgrades, Great Artesian Basin sustainability and the North Stradbroke Island national park together with the reclassification of certain funding received from the Australian Government as grant revenue and the conversion of funding to equity to acquire land for koala protection.
51. User charges relating to real estate market transactions fell due to the downturn in activity following the 2011 floods.
52. Grant revenue increased due to the reclassification of certain Australian Government funding from Service receipts. The increase was partly offset falls in other Australian Government grants following revised funding arrangements.
53. Employee expenses increased due to outlays associated with initiatives such as the new land valuation methodology, coal seam gas industry regulation and management of State owned and strategic cropping land.
54. Supplies and services expenses increased mainly due to additional outlays on climate change related activities.
55. Grants and subsidy outlays fell with the redirection of koala protection grant funding to land acquisitions for koala protection, the deferral of koala protection related grants pending availability of suitable areas of land and deferral of dam spillway upgrade grants with works not yet undertaken by dam owners. The decrease is partly offset by grants for vegetation protection deferred from 2009-10 and for flood damage restoration.
56. Other expenses increased mainly as a result of the settlement of a compensation claim in relation to forest logging.
57. Payments for property, plant and equipment increased due to acquisitions of land and building for national park, koala protection and conservation purposes and investment in strategic software. The acquisitions were mostly funded from unexpended Government funding carried over from 2009-10 and from additional Government funding made available during 2010-11.

58. Payments for investments represent the department's unbudgeted investment in EcoFund.
59. Equity injections increased with additional funding made available for land acquisitions, strategic land management and equity transfers to SunWater for capital project.
60. Equity withdrawals increased with additional transfers to SunWater for capital projects.
61. The cash balance increased mainly due to higher than forecast advances for land purchases on behalf of other agencies and unexpended grant monies and Government funding for asset acquisitions.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
62. Service revenue increases due to additional State funding for climate change and other initiatives such as expanding the national park estate, dam spillway upgrades, the waste reform strategy, improving regional water security and introduction of a new land valuation methodology. The increases are partly offset by a net reduction in Australian Government funded initiatives with the reclassification of certain funding to grant revenue.
63. Revenue from user charges increases mainly due to the introduction of fees associated with the protection of strategic cropping land.
64. Grant revenue decreases due to additional revenue from the reclassification from Service revenue of certain Australian Government funding being offset by an expected reduction in grant revenue from other sources.
65. Employee expenses increase due to award related increases and additional staff to manage State owned and strategic cropping land, and the new property valuation methodology, and the national park estate.
66. Supplies and services expenses increase mainly due to additional outlays on climate change related activities and improving regional water security.
67. Grants and subsidy payments increase due to additional payments for dam spillway upgrades. The increase is partly offset by the deferral of grants for koala protection, the waste management strategy and healthy headwaters initiatives.
68. Payments for property plant and equipment decrease due to significant land acquisition for national park and koala protection purposes and software development for the new property valuation methodology finalised in 2010-11.
69. Equity injections fall due to significant land acquisition for national park and koala protection purposes and software development for the new valuation methodology finalised in 2010-11.
70. The cash balance increases mainly due to provision for higher balances of advances for land purchases on behalf of other agencies and unexpended grant monies.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
71. Service revenue increases due to additional State funding for climate change and other initiatives such as expanding the national park estate, the koala response strategy, dam spillway upgrades, the waste reform strategy, and improving regional water security. These increases, together with increases Australian Government for Healthy Headwaters initiatives, are partly offset by reduced funding for vegetation management as initiatives are finalised.
72. Revenue from user charges increases mainly due to the introduction of fees associated with the protection of strategic cropping land.
73. Grant funding received from industry, local governments and State Government departments is expected to decrease.
74. Employee expenses increase mainly due to award related increases and additional costs associated with the implementation of the waste reform strategy, management of the national park estate and strategic cropping land, and implementation of the new property valuation methodology.
75. Supplies and services expenses increase mainly due to additional outlays on climate change related activities, the waste reform strategy, expanding the national park estate and improving regional water security.
76. Grants and subsidy payments increase mainly as a result of additional outlays for dam spillway upgrades and the Australian Government funded Healthy Headwaters initiative. The increases are partly offset by reduced grants for vegetation management as initiatives are finalised.
77. Other expenses are expected to fall due to a compensation claim in relation to forest logging being settled in 2010-11.
78. Payments for property plant and equipment decrease due to significant land acquisition for national park and koala protection purposes and software development for the new valuation methodology finalised in 2010-11. Acquisitions were mostly funded from cash balances held at 30 June 2010.
79. Payments for investments reflect the department's investment in EcoFund. No investment is budgeted for 2011-12.
80. Equity injections fall due to funding for significant land acquisition for national park and koala protection purposes and software development for the new valuation methodology finalised in 2010-11, together with a reduction in funding for equity transfers to SunWater for capital projects.
81. Equity withdrawals fall mainly as a result of a reduction in transfers to SunWater for capital projects.
82. The cash balance is expected to decrease mainly due to asset acquisitions during 2010-11 utilising Government funding carried over from 2009-10.

Administered income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
83. Taxes, fees and fines include environmental licence fees and fees associated with real estate market transactions. Revenue from environmental licence fees and real estate market activity were both lower than expected.
84. Territorial revenue increased due to revised annual land rental calculations.
85. Administered revenue increased mainly due to funding for maintenance of water infrastructure assets carried over from 2009-10 and increased funding for the Queensland Water Commission.
86. Other revenue consists mainly of property developer land contributions which exceeded budget.
87. Supplies and services expense increased due to additional outlays on maintenance of water infrastructure assets.
88. Grant expense increased due to higher grants payable to the Queensland Water Commission and Aboriginal communities.
89. Transfers of administered revenue to Government decreased due to decreased revenue from environmental licence fees and real estate market activity being partly offset by increased revenue from land rentals.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
90. Taxes, fees and fines revenue increases mainly due to the introduction of commercial waste disposal levies.
91. Territorial revenue increases due to revised annual land rental calculations.
92. The value of land contributions from property developers has been increased to reflect 2009-10 actual results.
93. Transfers of administered revenue to Government increases due to new revenue from commercial waste disposal levies and increased revenue from land rentals.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
94. Taxes, fees and fines revenue is expected to increase with the introduction of commercial waste disposal levies and increased real estate market activity.
95. Territorial revenue increases with revised annual land rental calculations.
96. Administered revenue and Grants and subsidy payments decrease mainly as a result of a reduced State contribution towards the operations of the Queensland Water Commission.
97. Transfers of administered revenue to Government increases due to new revenue from commercial waste disposal levies and increased revenue from real estate market activity and land rentals.

Administered balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
98. End of year balances for assets and liabilities have been adjusted in accordance with actual balances at 30 June 2010. Balances fluctuate from year to year and cannot be accurately forecast.
99. Land transfers from Forest Plantations Queensland in late 2009-10 and additional land acquired for dam sites were partly offset by lower than budgeted asset revaluations in 2009-10 and land transfers for national park purposes in late 2009-10.
100. Capital/Contributed equity was greater than budgeted due to the initial recognition of assets transferred from Forest Plantations Queensland in late 2009-10.
101. The 2009-10 accumulated surplus balance was higher than expected due to increased land transfers from property developers.
102. Asset revaluation surplus was less than expected mainly as a result of lower than expected adjustments flowing from the 2009-10 asset revaluation process.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
103. End of year balances for assets and liabilities have been adjusted in accordance with actual balances at 30 June 2010. Balances fluctuate from year to year and cannot be accurately forecast.
104. The non-current receivable represents instalments on freehold leases and has been adjusted in accordance with actual balances at 30 June 2010. Provision is made for a reduction in the balance as leases reach maturity.
105. Property, plant and equipment values increase mainly as a result of a net increase in land values flowing from the annual revaluation process, land acquired for future dam sites and land contributions by property developers. The increase is partly offset by land transfers for national park purposes in late 2009-10.
106. Capital/Contributed equity is expected to increase due to the initial recognition of assets transferred from Forest Plantations Queensland in late 2009-10, being partly offset by the return of revenue from land sales to Consolidated Fund.
107. The accumulated surplus balance increases mainly in line with increased land contributions from property developers.
108. Provision is made for land revaluations in 2011-12.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
109. The non-current receivable, representing instalments on freehold leases, is expected to fall as leases mature.
110. Property, plant and equipment values increase mainly as a result of increased land values flowing from the annual revaluation process and land contributions by property developers.
111. Capital/Contributed equity is expected to decrease with the return of revenue from land sales to Consolidated Fund.
112. The accumulated surplus balance increases mainly in line with land contributions from property developers.
113. Provision is made for land revaluations in 2011-12.

Administered cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
114. Administered revenue increased mainly as a result of a reduction in the balance of appropriation receivable at year end, funding for maintenance of water infrastructure assets carried over from 2009-10 and increased funding for the Queensland Water Commission.
115. Grant revenue for water infrastructure asset upgrades was deferred from 2010-11 to 2011-12.
116. Taxes, fees and fines include environmental licence fees and fees associated with real estate market transactions. Revenue from environmental licence fees and real estate market activity were both lower than expected.
117. Territorial revenue increased due to revised annual land rental calculations.
118. Transfers to Government fell due to decreased revenue from environmental licence fees and real estate market activity being partly offset by increased revenue from land rentals.
119. Supplies and services expense increased with additional outlays on maintenance of water infrastructure assets.
120. Outlays on land for future dam sites and a bike trail facility, and water infrastructure asset upgrades increased with acquisitions deferred from 2009-10 and additional funding approved during 2010-11.
121. Equity injections increased due to funding for land acquisitions for future dam sites deferred from 2009-10 and new funding approved during 2010-11.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
122. Grant revenue and associated water infrastructure asset upgrades were deferred from 2010-11 to 2011-12.
123. Taxes, fees and fines revenue increases mainly due to the introduction of commercial waste disposal levies.
124. Territorial revenue increases due to revised annual land rental calculations.
125. Transfers of administered revenue to Government increase due to new revenue from commercial waste disposal levies and increased revenue from land rentals.
126. Payments for property and Equity injections fall with the winding down of land acquisitions for future dam sites.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
127. Administered revenue for 2010-11 included funding for maintenance of water infrastructure assets carried over from 2009-10 and additional funding for grants to Aboriginal communities. In 2011-12 reduced funding is required for the State contribution towards the operations of the Queensland Water Commission.
128. Grant revenue and associated water infrastructure asset upgrades were deferred from 2010-11 to 2011-12.

129. Taxes, fees and fines revenue is expected to increase with the introduction of commercial waste disposal levies and increased real estate market activity.
130. Territorial revenue increases with revised annual land rental calculations.
131. Transfers of administered revenue to Government increase due to new revenue from commercial waste disposal levies and increased revenue from real estate market activity and land rentals.
132. Grants and subsidy payments decrease mainly as a result of a reduced State contribution towards the operations of the Queensland Water Commission.
133. Payments for property and Equity injections fall due to the winding up of special funding to acquire land for future dam site.

Statutory Body

Queensland Water Commission

OVERVIEW

The Queensland Water Commission (QWC) is an independent statutory body established under the *Water Act 2000.* It is responsible for planning for the provision of a safe, secure and sustainable water supply and for improving institutional and regulatory frameworks for South East Queensland (SEQ). The QWC is also responsible for providing sound, evidence-based advice on managing the impacts of coal seam gas (CSG) extraction on underground water resources.

The QWC contributes to the Government's *Toward Q2: Tomorrow's Queensland* ambitions to be *Strong: Creating a diverse economy powered by bright ideas* and *Green: Protecting our lifestyle and environment.*

REVIEW OF PERFORMANCE

Recent achievements

In 2010-11, for Water Supply and Demand Management the QWC has:

- finalised the SEQ Water Strategy and engaged with key stakeholders on implementation programs including total water cycle planning and future supply options
- worked with the SEQ Water Grid Manager and WaterSecure to develop operating strategies to reduce capital and operating expenditure without compromising water security
- expanded the existing Energy Ombudsman's role to form the industry funded Energy and Water Ombudsman Queensland, to provide stronger protection for SEQ water and wastewater customers
- reviewed the 10-year bulk water price path in SEQ, informing a decision to reduce the annual increase by $5 per household.

For CSG Water, the QWC has:

- commenced the new CSG groundwater function within the QWC
- provided advice on the establishment of the Surat cumulative management area
- commenced groundwater flow modelling and assessments of the Great Artesian Basin springs in the Surat cumulative management area.

Future developments

The QWC's key priorities in 2011-12 for Water Supply and Demand Management are to:

- continue the implementation of key actions in the SEQ Water Strategy, including developing a drought response plan for SEQ and reviewing and reporting on appropriate water use efficiency measures in the current environment of improved water security
- undertake an annual review of the SEQ Water Strategy
- continue to implement institutional and regulatory reforms including the Government's announcement to cap distribution and retail water and wastewater prices in SEQ and offer Councils the opportunity to withdraw from the current Distributor retailer structure

- review the 10-year bulk water price path in SEQ due in 2012-13
- review the SEQ water market design and rules to ensure the ongoing efficient operation and clarity of roles and accountabilities of water entities.

For CSG Water, the QWC's key priorities for 2011-12 are to:

- develop and submit to the regulator, under the *Water Act 2000,* an Underground Water Impact Report for the Surat cumulative management area
- implement an industry funded levy to support the QWC's CSG groundwater role.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
	2,3	65	59	69

Notes:
1. Full time equivalents (FTEs) as at 30 June 2011.
2. Recent restructure to the QWC has left vacancies which are currently being recruited against.
3. Additional employees required for Coal Seam Gas Water (CSGW) functions.

PERFORMANCE STATEMENT

Service standards	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Finalisation of SEQ Water Strategy actions on time and within budget	1	New measure	New measure	90% - 100%
Institutional and regulatory framework improvements delivered on time and within budget	2	Amended measure	Amended measure	85%-90%
Average residential daily water consumption in SEQ region	3	Amended measure	Amended measure	<200 litres per person per day
Independent technical expert panel members' satisfaction that the Surat underground water impact report provides sound, evidence-based advice	4	New measure	New measure	80% - 85%
State contribution ($000)		**2,157**	**3,320**	**..**
Other revenue ($000)		**22,250**	**17,882**	**26,574**
Total cost ($000)		**24,407**	**21,202**	**26,574**

Notes:
1. New measure reflects the Commission's efficiency in planning for the provision of a safe, secure and sustainable water supply for SEQ to achieve the desired Level of Service objectives. This is a measure that enables an assessment of the suite of SEQ Water Strategy actions.
2. Amended measure reflects the Commission's efficiency in improving the institutional and regulatory frameworks to enable efficient and cost-effective service delivery to water customers in SEQ. This measure is a description of reform actions that enables an assessment of the institutional framework affecting the water sector. This service standard may be influenced by other key stakeholders, possibly resulting in delayed delivery of some actions. This issue has been taken into consideration in formulating the target.
3. Amended measure reflects the Commission's effectiveness in planning for the provision of a safe, secure and sustainable water supply for SEQ to achieve the desired Level of Service objectives. This measure provides information on the voluntary residential water consumption target for SEQ residents.
4. New measure reflects the Commission's effectiveness in providing sound, evidence-based advice on management of the impacts of coal seam gas extraction on underground water resources. This measure may be influenced by a minority of expert panel members not being satisfied with the advice. This issue has been taken into consideration in formulating the target.

INCOME STATEMENT

Queensland Water Commission	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue		..	..	..
User charges	1,5,10	22,100	17,434	26,324
Grants and other contributions	2,6,11	2,157	3,320	..
Other revenue		150	448	250
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**24,407**	**21,202**	**26,574**
Expenses				
Employee expenses	7,12	7,350	7,163	8,617
Supplies and services	3,13	16,419	12,973	15,671
Grants and subsidies	8,14	..	..	1,267
Depreciation and amortisation	4,9	583	983	953
Finance/borrowing costs		..	..	..
Other expenses		55	83	66
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**24,407**	**21,202**	**26,574**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

STATEMENT OF CHANGES IN EQUITY

Queensland Water Commission	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		..	..	..
Total recognised income and expense for the period		**..**	**..**	**..**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**..**	**..**	**..**

BALANCE SHEET

Queensland Water Commission	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	15,21	3,943	9,182	3,545
Receivables		466	466	481
Other financial assets		..	..	..
Inventories		..	..	..
Other		35	57	57
Non-financial assets held for sale		..	..	..
Total current assets		**4,444**	**9,705**	**4,083**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	16,19,22	20	2,004	1,641
Intangibles	22	1,882	1,741	1,151
Other		..	..	..
Total non-current assets		**1,902**	**3,745**	**2,792**
TOTAL ASSETS		**6,346**	**13,450**	**6,875**
CURRENT LIABILITIES				
Payables	17,23	2,500	8,252	2,162
Accrued employee benefits		620	520	379
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	18,20	..	344	344
Total current liabilities		**3,120**	**9,116**	**2,885**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		150	36	36
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	18,20,24	..	1,606	1,262
Total non-current liabilities		**150**	**1,642**	**1,298**
TOTAL LIABILITIES		**3,270**	**10,758**	**4,183**
NET ASSETS/(LIABILITIES)		**3,076**	**2,692**	**2,692**
EQUITY				
Capital/contributed equity		3,076	2,199	2,199
Accumulated surplus/(accumulated deficit)		..	493	493
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**3,076**	**2,692**	**2,692**

CASH FLOW STATEMENT

Queensland Water Commission	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts		..	..	..
User charges	27,30	22,100	22,112	21,658
Grants and other contributions	25,28,31	2,157	3,320	..
Other		150	438	235
Outflows:				
Employee costs	32	(7,230)	(7,183)	(8,782)
Supplies and services		(16,424)	(14,267)	(17,415)
Grants and subsidies	29,33	..	..	(1,267)
Borrowing costs		..	..	..
Other	26	(55)	(4,792)	(66)
Net cash provided by/(used in) operating activities		**698**	**(372)**	**(5,637)**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(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/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**698**	**(372)**	**(5,637)**
Cash at the beginning of financial year		**3,245**	**9,554**	**9,182**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**3,943**	**9,182**	**3,545**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
1. The decrease in the User charges estimate (Water Service Provider (WSP) levy) is due to a review of programs and priorities, improved efficiencies and economies of scale pursuant to the introduction of the Coal Seam Gas Water (CSGW) function.
2. The increase in Grants represents increased 'seed funding' for the establishment of the CSGW function.
3. The decrease in Supplies and services reflects the review of work programs and priorities, increased efficiencies and improved economies of scale pursuant to the introduction of the CSGW function.
4. The increase in depreciation expense represents additional depreciation related to office accommodation which was capitalised at the end of 2009-10.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
5. User charges for 2011-12 comprise $20.658M WSP levy, a reduction of $1.442M on 2010-11, and a $5.666M Petroleum Tenure Holder levy.
6. In 2011-12 the Commission's CSGW management functions will be funded by a levy on Petroleum Tenure Holders in accordance with Section 360 FA of the *Water Act 2000*.
7. The increase in employee expenses principally relates to the full year effect of the CSGW function and the impact of enterprise bargaining agreement (EBA) cost increases.
8. Grants and subsidies represents the partial repayment to government of seed funding for the CSGW function from the Petroleum Tenure Holder levy and a grant for customer advocacy services to provide input into water policy.
9. The increase in depreciation expense represents additional depreciation associated with the Commission's office accommodation which was capitalised at the end of the 2009-10 financial year.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
10. The increase in User charges represents the funding of the Commission's CSGW function via a levy on Petroleum Tenure Holders and an increase in the 2011-12 Water Service Provider levy from the 2010-11 Estimated Actual – refer to Note 5.
11. The decrease in Grants reflects that the Commission's CSGW management functions will be funded by a levy on Petroleum Tenure Holders in accordance with Section 360 FA of the *Water Act 2000*.
12. The increase principally relates to the full year effect of the CSGW function and the impact of EBA cost increases.
13. The increase in Supplies and services reflects the Commission's work program including the full year effect of CSGW.
14. Grants and subsidies represents the partial repayment to government of seed funding for CSGW function from the Petroleum Tenure Holder levy and a grant for customer advocacy services to provide input into water policy.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
15. The increase in cash principally reflects unexpended funds owing to the WSPs from 2010-11 to be paid in 2011-12.
16. The increase in Property, plant and equipment reflects the capitalisation of office accommodation at the end of 2009-10.
17. The increase in Payables principally reflects unexpended funds owing to the WSPs from 2010-11 to be paid in 2011-12.
18. The increase in Other liabilities represents the current and non-current portion of the office accommodation lease incentive.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
19. The increase in Property, plant and equipment reflects the capitalisation of office accommodation at the end of 2009-10.
20. Other liabilities reflect the current and non-current portion of the Commission's office accommodation lease incentive.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
21. The decrease in cash principally reflects the payment of unexpended funds from 2010-11 to the WSPs in 2011-12.
22. The decrease in Property, plant and equipment and Intangibles reflects the depreciation of assets.
23. The decrease in Payables reflects the payment of unexpended funds from 2010-11 to the WSPs.
24. The decrease in Other liabilities represents the amortisation of the Commission's lease incentive.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
25. The increase in Grants represents increased 'seed funding' for the establishment of the CSGW function.
26. The increase in Other represents the repayment of unspent grant funds from 2009-10 returned to government in 2010-11.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
27. User chargers for 2011-12 comprise the WSP levy offset by the re-payment of unexpended funds from 2010-11 and the Petroleum Tenure Holder Levy.
28. In 2011-12 the Commission's CSGW management functions will be funded by a levy on Petroleum Tenure Holders in accordance with Section 360 FA of the *Water Act 2000*.
29. Grants and subsidies represents the partial repayment to government of seed funding for the CSGW function from the Petroleum Tenure Holder levy and a grant for customer advocacy services to provide input into water policy.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

30. User chargers for 2011-12 comprise the WSP levy offset by the re-payment of unexpended funds from 2010-11 and the Petroleum Tenure Holder Levy.
31. The decrease in Grants reflects that the Commission's CSGW management functions will be funded by a levy on Petroleum Tenure Holders in accordance with Section 360 FA of the *Water Act 2000*.
32. The increase principally relates to the full year effect of the CSGW function and the impact of EBA cost increases.
33. Grants and subsidies represents the partial repayment to government of seed funding for CSGW function from the Petroleum Tenure Holder levy and a grant for customer advocacy services to provide input into water policy.

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PART 15

Department of Police

Summary of departmental portfolio budgets

Page	Agency	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
3-141	Department of Police - controlled	1,816,077	1,800,850	1,888,501
	Department of Police - administered	441	441	701
3-161	Prostitution Licensing Authority	1,392	1,256	1,470

Note:
1. Explanations of variances are provided in the financial statements.

DEPARTMENTAL OVERVIEW

MINISTERIAL RESPONSIBILITY

The Minister for Police, Corrective Services and Emergency Services is responsible for the Department of Police.

STRATEGIC ISSUES

As the primary law enforcement agency for the State of Queensland, the Queensland Police Service (QPS) is responsible for the delivery of policing services state-wide.

The QPS's strategic objectives focus on enhancing community safety and security and increasing the community's confidence and satisfaction with police. These objectives, and the activities undertaken to achieve them, underpin the Government's *Toward Q2: Tomorrow's Queensland* ambitions, particularly *Fair–Supporting safe and caring communities*. The QPS also contributes to a range of national, state and local initiatives including *Closing the Gap on Indigenous Disadvantage* and the *National Road Safety Strategy*.

In 2011-12, the strategic challenges facing the QPS include:

- globalisation: the increasing use and accessibility of technology and its ability to facilitate serious and organised crime
- the increasing severity of natural disasters, including the human and animal contagions arising from climate change
- increasing usage of the Queensland road network; bringing the risk of more road crashes
- continuing over–representation of vulnerable people in the criminal justice system
- demographic changes and rising demands for service.

In response to these issues the QPS has identified service delivery priorities for 2011-12, including:

- delivering high quality client service and encouraging staff to own and display the QPS values of professionalism, performance, people and partnerships
- working with other government departments, non-government stakeholders, private sector agencies and the community to prevent crime
- targeting anti-social behaviour and youth violence
- addressing the community impact of domestic and family violence
- targeting major and organised crime, particularly fraud and outlaw motorcycle gangs, by enhancing inter-jurisdictional co-operation and seizing the proceeds of crime
- promoting a coordinated, 'all hazards', all agency approach to managing disasters, major events and other incidents
- developing effective, evidence-based traffic policing strategies.

2011-12 HIGHLIGHTS

The 2011-12 Budget of $1.889 billion will ensure the delivery of effective core policing services to the Queensland community—more police, new facilities and better technology to fight crime.

Key programs and initiatives for 2011-12 include:

- an additional 150 police positions to complete the Government's commitment of delivering up to 600 new police positions in the three years to March 2012

- $54.9 million to continue development of the new, state of the art Police Academy at Wacol. When complete, this facility will deliver a full range of education and training programs for trainee and operational police
- $43.8 million for capital works across the State including:
  - $5 million towards completion of the $7.6 million refurbishment of Beenleigh Police Station;
  - $1.5 million to construct the new Burleigh Heads Police Beat and $0.5 million to refurbish the existing Burleigh Heads Police Complex;
  - $2.5 million to complete construction of the $3 million upgrade to Calliope Police Station;
  - $1 million to provide a new police station at Carina to replace Camp Hill Police Station at a total cost of $2.6 million;
  - $1.3 million to deliver the $2.2 million upgrade of Goodna Police Station;
  - $6.5 million to complete construction of the replacement Lockhart River Police Station at a revised project cost of $9 million;
  - $3.8 million to provide an upgrade to the heritage-listed police facility at Mackay with a total project cost of $4 million;
  - $2.4 million to continue construction of the new $3 million Oxley District Forensic Facility;
  - $1.4 million towards completion of the $2.5 million refurbishment of the Pine Rivers District Office; and
  - $1.6 million to further progress the new $12 million Townsville District Police Facility.
- $51.1 million for a range of information and communication technology (ICT) initiatives, including:
  - a Computer Aided Dispatch (CAD) system;
  - upgrading existing resources through technology refresh; and
  - the Digital Integrated Traffic Camera System.
- $77.5 million for the purchase of new and upgraded operational equipment including vehicles, traffic cameras and marine vessels
- $21.7 million in additional funding to support the continued deployment of speed cameras throughout Queensland aimed at reducing road trauma. The funding will provide for mobile and fixed speed camera operations over 2011-12
- $3.1 million to continue the trial of the Drink Safe Precinct Project; countering alcohol-related violence in Townsville, Surfers Paradise and Fortitude Valley. This is part of a two year, whole of Government initiative, with total program funding of $8.5 million.

RECENT ACHIEVEMENTS

- The road toll for 2010 was 249, which is 82 fewer than the previous year and the lowest road toll for a calendar year in Queensland since accurate records began in 1952. This represents 5.52 fatalities per 100,000 population – a decrease of 26.2% when compared to the fatality rate for the 2009 calendar year. As at 1 May 2011, the road toll was 80 fatalities, which is 9 fatalities greater than the corresponding period in 2010 and 40 fatalities less than the same period in 2009. This outcome was supported by a $22.7 million investment to support and deliver more than 74,500 hours of mobile speed camera operations, including covert camera, and 80,000 hours of fixed speed camera operations.

- Staff responded to flood and cyclone events across the State including deployment of 383 extra staff and 28 vehicles into Cyclone Yasi affected areas in the first two weeks of February 2011. Part of the flood response included the establishment of Operation Safeguard—a three week operation focused on property security and crime prevention in flood affected areas of Brisbane and Ipswich. Operation Safeguard involved 386 sworn officers, including police from New South Wales, Victoria and South Australia, and resulted in the arrest of 81 people on 225 charges.
- The coordinated response to Queensland's natural disasters was assisted by amendments to the *Disaster Management Act 2003* and the *Public Safety Preservation Act 1986*, facilitating a better response and enhanced interoperability between police and emergency services.
- At 1 May 2011 the QPS had 10,489 police officers servicing Queensland communities - a significant milestone in the Government's commitment to providing over 10,600 police officers by March 2012.
- $1.8 million was provided for additional police officer hours between December 2010 and June 2011 as part of the two year trial of the Drink Safe Precincts in Townsville, Surfers Paradise and Fortitude Valley. The trial supports enhanced, targeted and flexible police responses; improved coordination of security; improved transport and traffic control; and coordinated processes between community groups, security, police and licensed premises. The first three months of the trial provided 7,960 additional police hours. During this period police intervened on 763 occasions to prevent conflict, made 1,029 arrests, issued 605 move-on directions and used other methods of de-escalation on 477 occasions.
- In November 2010 new laws commenced allowing police to issue on the spot fines to offenders creating a public nuisance; removing them from the court process. Up until 31 March 2011, over 4,400 infringement notices had been issued.
- Other police enforcement activities targeting alcohol fuelled violence and anti-social behaviour included:
  - Operation Unite; a joint initiative of Police Commissioners across Australia and New Zealand to challenge alcohol misuse, crime, violence and anti-social behaviour. Three operations were conducted during the 2010-11 financial year, resulting in a total of 844 arrests and 385 drink driving charges; and
  - the continuation of the One Punch Can Kill campaign; designed to reduce assaults among young people.
- $57.5 million was provided for capital works infrastructure projects. This included the completion of (as at 31 March 2011):
  - an extension of Thursday Island Water Police facilities;
  - the refurbishment of Richlands Watchhouse and upgrade of its CCTV equipment;
  - replacement police stations and watchhouses at Murgon and Mareeba;
  - the new Sunshine Coast District Water Police facility; and
  - the Driver Training Centre at the new Queensland Police Academy site at Wacol.
- The Driver Training Centre was officially opened in November 2010 at a total cost of $12 million. The Centre consists of a simulated road circuit of asphalt, gravel and tar roads, manoeuvre areas, an urban streetscape, a four-wheel drive skills and recovery area, a motorcycle training track and scenario buildings for tactical operations.
- The new police contact centre, Policelink, commenced operation in August 2010. Policelink provides enhanced response management for people reporting non-urgent matters to police and, since December 2010, also incorporates the 13HOON hotline. As at 31 March 2011, over 560,000 calls have been managed by Policelink, including over 25,000 calls relating to disaster events.

- Funding of $50.2 million was provided for ICT initiatives, including:
  - ongoing investment in the development of the new Weapons Licensing Management System. This will improve customer service by streamlining processes for licence holders, firearm dealers and shooting clubs;
  - the establishment of a permanent telecommunications interception facility. This enables the QPS and the Crime and Misconduct Commission to monitor a wide range of communications used by criminals to facilitate crime. This capability has already contributed to seizures of significant amounts of illegal drugs and the identification of proceeds of crime; and
  - the appointment of a vendor and commencement of design and development for a new CAD system. The new CAD system will be implemented across five police communications centres, replacing the existing CAD system which has reached the end of its functional lifecycle. The capability of the new CAD system will deliver significant benefits, including improved public and officer safety by enabling more efficient responses to calls for service and management of frontline resources.
- Task Force Argos has continued to be internationally recognised for its success in combating organised paedophilia, institutionalised abuse, child exploitation and computer facilitated child exploitation. During 2010-11 up to 31 March 2011, Task Force Argos commenced proceedings against 72 offenders on 266 charges and seized over 392,000 new child exploitation images, along with 520 hours of child exploitation video.
- The *Prostitution and other Acts Amendment Bill 2010* was passed in September 2010 to enhance the regulation of prostitution.

DEPARTMENTAL SERVICES

Following a review of its services and associated service standards, the QPS has adopted a new reporting framework for 2011-12. The changes see the QPS move to six service areas, down from nine.

The first five QPS service areas have been retained and describe direct services to the community: Professional standards and ethical practice, Personal safety, Property security, Traffic policing, and Public order and safety. Expenditure and non-financial performance is reported against these service areas.

Client service performance information will now be allocated across these five service areas, recognising that client service is a critical aspect of all service delivery to the community.

The remaining three services of Strategic positioning and response, Human resource management, and Financial management have been combined into a new service area called Service delivery support.

Professional standards and ethical practices

This service area covers activities to promote ethical behaviour, discipline and professional practice to ensure the community and visitors to the community have confidence in, and respect for, the QPS.

Personal safety

Activities reported here include the policing responses to protect personal safety and prevent and detect related offences including homicide, assault, sexual assault, robbery and total personal safety.

Property security

This service area describes the activities to protect property and prevent and detect related offences including unlawful entry, other property damage, motor vehicle theft, other theft (excluding unlawful entry) and total property security.

Traffic policing

Traffic policing includes activities to enforce traffic law and reduce road trauma including through the prevention and detection of speeding, red light offences, driving under the influence of alcohol or drugs, driving while fatigued and not wearing seatbelts.

Public order and safety

This service area describes activities directed at maintaining public order and safety during major events and natural disasters—from planning to recovery. Public order issues include those related to public space enjoyment, street and nuisance offences, liquor licensing issues, and environmental design to reduce crime including alcohol fuelled violence.

Service delivery support

Activities reported under this service area support the provision of policing functions.

STAFFING[1]

Service areas	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
Service	2,3,4			
Professional Standards and Ethical Practice		2,241	2,165	2,209
Personal Safety		3,173	3,334	3,403
Property Security		3,091	3,135	3,200
Traffic Policing		2,805	2,816	2,874
Public Order and Safety		3,401	3,261	3,329
Total services		**14,711**	**14,711**	**15,015**

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate FTEs are allocated across the services to which they relate.
3. Due to the application of internal charging for corporate services activities within the department, corporate services employee expenses are incorporated in the 'departmental financial statements' as part of 'supplies and services' expense.
4. The allocation of resources is guided by the results of the QPS' activity based costing methodology, the *State-Wide Activity Survey*.

2011-12 SERVICE SUMMARY[1]

Service areas	Total cost $'000	Sources of revenue			
		State Contribution $'000	User charges $'000	C'wealth revenue $'000	Other revenue $'000
Professional Standards and Ethical Practice	290,413	281,333	5,573	89	3,418
Personal Safety	423,419	404,044	12,793	130	6,452
Property Security	398,179	379,961	12,031	121	6,066
Traffic Policing	362,314	346,587	10,453	111	5,163
Public Order and Safety	414,176	395,227	12,513	126	6,310
Total	**1,888,501**	**1,807,152**	**53,363**	**577**	**27,409**

Note:
1. Explanations of variances are provided in the financial statements.

ADMINISTERED ITEMS

DESCRIPTION

Three programs were administered through the QPS during the 2010-11 financial year:

- the national approach to the Gun Buyback Scheme weapons compensation payments as per the agreement, reached in 1996, by Police Ministers attending the then Australasian Police Ministers' Council
- the national approach to the Handgun Buyback compensation as per the December 2002 Council of Australian Governments agreement
- the Prostitution Licensing Authority.

Administered funding includes revenue for fees, fines and forfeitures collected on behalf of the Government.

RECENT ACHIEVEMENTS

The Gun Buyback Compensation Scheme commenced in 1996-97. Costs were met by the Australian Government for weapons prohibited and returned in Queensland. Administrative arrangements for this scheme have been finalised following successful resolution of outstanding litigation in 2009.

The Handgun Buyback Compensation Program commenced in 2003-04. Costs were met by both the Australian Government and the State for the handguns prohibited and returned in Queensland. This scheme has been concluded.

These two programmes are expected to be finalised in 2010-11.

The 2010-11 allocation of $0.44 million for the operation of the Prostitution Licensing Authority allowed for the continuing operating and legal costs of the Authority.

Financial statements and variance explanations in relation to administered items appear in the departmental financial statements.

DEPARTMENTAL STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Professional Standards and Ethical Practice - Service standards				
Rate of complaints against police per 100 sworn (operational staff)	1	≤ 25.4	20.3	< 20.3
Public perception of police professionalism and image:	2,3			
- Police perform their job professionally		≥ 80.7%	86%	≥ 85%
- Police treat people fairly and equally		≥ 68.6%	74.8%	≥ 75%
- Police are honest	4	≥ 78.6%	72%	≥ 75%
- I do have confidence in the police		≥ 81.7%	85.7%	≥ 85%
Satisfaction of members of the public who had contact with police in the last twelve months	2,3,5	≥ 80.6%	85.7%	≥ 85%
State contribution ($000)		**$285,541**	**$268,386**	**$281,333**
Other revenue ($000)		**$11,720**	**$8,534**	**$9,080**
Total cost ($000)	6	**$297,261**	**$276,920**	**$290,413**
Service Area: Personal Safety - Service standards				
Rate (per 100,000 population) of personal safety offences reported:	7,8			
- Homicide		2-4	2	2-4
- Assault		470-510	437	420-460
- Sexual assault		120-160	116	110-160
- Robbery		40-50	38	30-50
- Total personal safety		720-820	678	720-820
Client satisfaction with the police response to personal safety offences	9,10,11	New measure	67%	≥ 70%
Other measures				
Number of personal safety offences reported:	7,8,12			
- Homicide		..	111	110-170
- Assault		..	19,853	19,000-22,000
- Sexual assault		..	5,279	5,000-6,500
- Robbery		..	1,720	1,700-2,000
- Total personal safety		..	30,768	30,000-34,000

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Number of personal safety offences cleared:	7,8,13,14			
- Homicide		> 167	116	> 116
- Assault		> 18,411	16,935	> 16,935
- Sexual assault		> 4,919	4,784	> 4,784
- Robbery		> 1,213	1,055	> 1,055
- Total personal safety		> 27,605	25,459	>25,459
State contribution ($000)		**$368,101**	**$386,764**	**$404,044**
Other revenue ($000)		**$17,579**	**$16,992**	**$19,375**
Total cost ($000)		**$385,680**	**$403,756**	**$423,419**
Service Area: Property Security - Service standards				
Rate (per 100,000 population) of property security offences reported:	8,15			
- Unlawful entry		1,000-1,250	945	900-1,150
- Other property damage		900-1,100	923	900-1,100
- Motor vehicle theft		200-240	209	200-240
- Other theft (excl unlawful entry)		1,950-2,250	2,118	1,950-2,250
- Total property security		4,600-5,600	4,700	4,600-5,600
Client satisfaction with the police response to property security offences	10,11	New measure	75.4%	≥ 75%
Other measures				
Number of property security offences reported:	8,15,16			
- Unlawful entry		..	42,917	40,000-50,000
- Other property damage		..	41,897	40,000-50,000
- Motor vehicle theft		..	9,488	8,000-11,000
- Other theft (excl unlawful entry)	17	..	96,196	90,000-100,000
- Total property security		..	213,447	190,000-230,000
Number of property security offences cleared:	8,14,15			
- Unlawful entry	13	> 10,315	9,139	> 9,139
- Other property damage		> 13,011	13,276	> 13,276
- Motor vehicle theft		> 3,224	3,359	> 3,359
- Other theft (excl unlawful entry)		> 27,953	28,397	> 28,397
- Total property security		> 74,788	73,173	> 73,173
State contribution ($000)		**$358,591**	**$363,708**	**$379,961**
Other revenue ($000)		**$17,124**	**$15,979**	**$18,218**
Total cost ($000)		**$375,715**	**$379,687**	**$398,179**
Service Area: Traffic Policing - Service standards				
Rate (per 100,000 population) of road crash fatalities	18,19,20	< 6.1	5.54	≤ 6.25
Rate (per 100,000 population) of persons hospitalised following a crash	21	..	..	..

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Other measures				
Number of vehicles monitored per offence by:				
- Speed cameras	22	80-110:1	101:1	80:120-1
- Red light cameras	23	1,600-1,900:1	2,823:1	1,900-3,000:1
State contribution ($000)		**$329,350**	**$331,651**	**$346,587**
Other revenue ($000)		**$14,732**	**$13,894**	**$15,727**
Total cost ($000)		**$344,082**	**$345,545**	**$362,314**
Service Area: Public Order and Safety - Service standards				
Rate (per 100,00 population) of good order offences detected	24,25	1,100-1,250	1,055	1,000-1,200
Public satisfaction with police dealing with public order problems	3	≥ 52.9%	68.9%	≥ 65%
Public satisfaction with police dealing with disasters and major events	11	80%-90%	89.9%	≥ 85%
State contribution ($000)		**$394,622**	**$378,321**	**$395,227**
Other revenue ($000)		**$18,717**	**$16,621**	**$18,949**
Total cost ($000)		**$413,339**	**$394,942**	**$414,176**
Service Area: Service Delivery Support - Service standards				
Cost of policing services per person	26	New measure	$394	≤ $395
Other measures				
Operational staff (sworn and unsworn) per 100,000 population	27	New measure	298	≥ 262

Notes:

1. 2010-11 Estimated actual was calculated using the 2011 Report on Government Services definition of 'complaints' which differs from the definition used to calculate the 2010-11 Target/estimate. The 2010-11 Estimated actual includes complaints made against on-duty and off-duty police officers by members of the public. The 2011-12 Target/estimate is for the rate of complaints to be less than the 2010-11 Estimated actual. Rate is calculated on the number of operational (sworn) officers as at 30 June 2010.
2. The QPS sets its performance targets by having regard to a range of factors including previous QPS performance and national average performance. Data on national average performance is published in the Report on Government Services. The use of such benchmarks is considered good practice in performance management and is consistent with the 2008 review of the QPS by the Service Delivery and Performance Commission.
3. The 2010-11 Estimated actual and the 2011-12 Target/estimate were derived from the *National Survey of Community Satisfaction with Policing* for the period of 1 July 2010 to 31 March 2011. The 2011-12 Target/estimate is to be greater than or equal to the national average for the same period. A change in survey provider as of 1 July 2010 may have impacted on the 2010-11 Estimated actual.
4. From 1 July 2010 the wording of this question was changed from 'Most police are honest' to 'Police are honest'. Although there has been a decrease in agreement with the new statement, there has been no corresponding increase in disagreement; instead, there has been an increase in neutral responses.
5. This service standard has been moved from 'Client service' (discontinued service). Client service is fundamental to all services QPS delivers to the Queensland community. In recognition of this, client service performance information is now reviewed against the service to which it relates.
6. The cost variation is mainly due to a change in the depreciation costs of the asset base allocated to this service area.
7. The offence categories reported separately are those classified as 'violent' crimes and are the most significant personal safety offence categories in terms of their impact on the community. The 'total personal safety' offences figure also includes the offence categories of extortion, kidnapping, abduction and deprivation of liberty and other offences against the person. Homicide includes the offence categories of murder, attempted murder and conspiracy to murder.
8. The 2010-11 Estimated actual is based on an extrapolation of July 2010-March 2011 statistics. These figures will vary from statistics calculated using actual financial year data.
9. Derived from the *Queensland Police Service Crime Victims' Survey 2010*. Personal safety offences include the four categories of sexual offence, robbery, assault and personal offence. Property security offences cover the categories of unlawful entry, vehicle theft, wilful damage and stealing.

10. Derived from the *Queensland Police Service Crime Victims' Survey 2010*. New service standard based on previously combined standard 'Client satisfaction with the police response to personal safety and property security offences' reported under Client service (discontinued service).
11. The QPS sets its performance targets by having regard to a range of factors including previous QPS performance and any known factors that are likely to have an impact in the forthcoming 12 months, such as government funding for special initiatives. National average performance data is not available for this measure.
12. The 2010-11 Target/estimate is unavailable because this service standard was previously recorded as the number and rate of personal safety offences reported. The 2010-11 Target/estimate was only provided as a rate per 100,000 population for that service standard.
13. The Estimated actual number of offences cleared in 2010-11 may be lower than expected due to the significant amount of resources dedicated to disaster management activities during this period. The QPS played a key role in responding to flooding across the State and Cyclone Yasi in North Queensland.
14. The number of offences cleared relates to the total number of offences cleared in the period regardless of when they were reported. The 2011-12 Target/estimate is to be greater than the 2010-11 Estimated actual.
15. The offence categories reported separately are classified as high volume property security offences. The total property security offences figures also include the offence categories of arson, fraud and handling stolen goods.
16. The 2010-11 Target/estimate is unavailable because this service standard was previously recorded as the number and rate of property security offences reported. The 2010-11 Target/estimate was only provided as a rate per 100,000 population for that service standard.
17. The highest volume driver of other theft (excl unlawful entry) is shop stealing, and an increase in this category could be a result of the recent financial downturn. In addition, there has been a noted increase in the use of shop stealing to facilitate large-scale re-selling of stolen property online directly by the offender, rather than through traditional third-parties such as pawnbrokers.
18. The service standard is now expressed as a rate per 100,000 population. This gives a more meaningful measure of road crash fatalities as it takes population growth into account.
19. The 2011-12 Target/estimate has been obtained through consultation with Department of Transport and Main Roads, which included consideration of the recent trend, economic indicators and the potential effects of road safety initiatives.
20. Road Crash Casualty data was extracted on 7 April 2011, and should be viewed as preliminary and subject to change.
21. 2008-09 data showed a rate of 148.17 persons hospitalised following a crash. More recent crash data is unavailable. Target/estimate for 2010-11 and 2011-12 were unable to be estimated for the same reason.
22. The speed camera figures relate to marked and covert mobile speed cameras combined. The increased detection rate is attributed to the introduction of covert mobile speed cameras in addition to marked speed camera operations.
23. The 2010-11 Estimated actual figure for the red light camera combines analogue and digital red light cameras. Digital red light cameras commenced operating in the Brisbane metropolitan area on 25 October 2010. There was an increase in the number of vehicles monitored per offence for red light cameras in this reporting period, indicating that fewer vehicles travelled through a red signal at intersections where a red light camera was operating, which is a positive indicator for road safety.
24. The Estimated actual rate of good order offences detected in 2010-11 may be lower than expected due to the significant amount of resources dedicated to disaster management activities during this period. The QPS played a key role in responding to flooding across the State and Cyclone Yasi in North Queensland.
25. This measure is now expressed as a rate per 100,000 population to bring consistency with other service standards. A rate gives a more meaningful measure of crime trends than raw numbers, as the rate takes population growth into account.
26. The 2011-12 target has been estimated by increasing the 2009-10 national average by 3% each year in line with the Consumer Price Index (CPI). The 2009-10 national average was obtained from the 2011 Report on Government Services.
27. The definition of operational staff includes both sworn and unsworn employees. The QPS currently exceeds the national average of 262 for all policing services as reported in the 2011 Report on Government Services.

INCOME STATEMENT

Department of Police	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue	1,5,10	1,736,205	1,728,830	1,807,609
User charges	6,11	51,561	51,809	53,363
Grants and other contributions	2,12	23,044	14,944	22,262
Other revenue		3,267	3,267	3,267
Gains on sale/revaluation of property, plant and equipment and investments		2,000	2,000	2,000
Total income		**1,816,077**	**1,800,850**	**1,888,501**
Expenses				
Employee expenses	7,13	1,375,092	1,377,782	1,446,501
Supplies and services	3,8,14	328,647	321,548	338,299
Grants and subsidies		3,082	3,082	3,082
Depreciation and amortisation		83,180	82,362	84,543
Finance/borrowing costs		..	..	..
Other expenses	4,9	24,076	14,076	14,076
Losses on sale/revaluation of property, plant and equipment and investments		2,000	2,000	2,000
Total expenses		**1,816,077**	**1,800,850**	**1,888,501**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

STATEMENT OF CHANGES IN EQUITY

Department of Police	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		55,636	64,139	66,542
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**55,636**	**64,139**	**66,542**
Surplus/(deficit) for the period		..	..	..
Total recognised income and expense for the period		**55,636**	**64,139**	**66,542**
Equity injection/(withdrawal)		114,529	97,994	122,763
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**170,165**	**162,133**	**189,305**

BALANCE SHEET

Department of Police	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	15,25	20,887	2,593	2,593
Receivables	16,26	47,993	57,105	57,105
Other financial assets		..	..	..
Inventories		3,438	3,267	3,267
Other	17,27	14,861	6,723	6,723
Non-financial assets held for sale		3,603	1,825	1,825
Total current assets		**90,782**	**71,513**	**71,513**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	18,28,35	2,076,586	1,921,708	2,111,107
Intangibles	19,29	70,214	60,217	60,123
Other		..	..	..
Total non-current assets		**2,146,800**	**1,981,925**	**2,171,230**
TOTAL ASSETS		**2,237,582**	**2,053,438**	**2,242,743**
CURRENT LIABILITIES				
Payables	20,30	51,579	64,568	64,568
Accrued employee benefits	21,31	40,856	45,245	45,245
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	22,32	14,988	2,525	2,525
Total current liabilities		**107,423**	**112,338**	**112,338**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**107,423**	**112,338**	**112,338**
NET ASSETS/(LIABILITIES)		**2,130,159**	**1,941,100**	**2,130,405**
EQUITY				
Capital/contributed equity	23,33,36	817,800	741,872	864,635
Retained surplus/(accumulated deficit)		382,090	391,721	391,721
Reserves:				
- Asset revaluation surplus	24,34,37	930,269	807,507	874,049
- Other (specify)		..	..	..
TOTAL EQUITY		**2,130,159**	**1,941,100**	**2,130,405**

CASH FLOW STATEMENT

Department of Police	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts	38,42,48	1,736,205	1,717,713	1,807,609
User charges	43	51,561	53,872	53,363
Grants and other contributions	39,44,49	2,044	3,944	11,262
Other		3,267	3,267	3,267
Outflows:				
Employee costs	45,50	(1,375,092)	(1,374,282)	(1,446,501)
Supplies and services	40,46,51	(328,647)	(307,748)	(338,299)
Grants and subsidies		(3,082)	(3,082)	(3,082)
Borrowing costs		..	..	..
Other		(3,076)	(3,076)	(3,076)
Net cash provided by/(used in) operating activities		**83,180**	**90,608**	**84,543**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		20,000	20,000	20,000
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	41,47,52	(217,709)	(200,356)	(227,306)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(197,709)**	**(180,356)**	**(207,306)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		168,935	143,962	177,664
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		(54,406)	(54,406)	(54,901)
Net cash provided by/(used in) financing activities		**114,529**	**89,556**	**122,763**
Net increase/(decrease) in cash held		**..**	**(192)**	**..**
Cash at the beginning of financial year		**20,887**	**2,785**	**2,593**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**20,887**	**2,593**	**2,593**

ADMINISTERED INCOME STATEMENT

Department of Police	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Revenues				
Commonwealth grants		..	..	..
Taxes, fees and fines	53,55	7,949	7,954	8,440
Royalties, property income and other territorial Revenue		..	..	..
Interest		..	..	..
Administered revenue	54,56	441	441	701
Other		250	250	250
Total revenues		**8,640**	**8,645**	**9,391**
Expenses				
Supplies and services		..	..	..
Depreciation and amortisation		..	..	..
Grants and subsidies		441	441	701
Benefit payments		..	..	..
Borrowing costs		..	..	..
Other		..	..	..
Total expenses		**441**	**441**	**701**
Net surplus or deficit before transfers to Government		**8,199**	**8,204**	**8,690**
Transfers of administered revenue to Government		**8,199**	**8,204**	**8,690**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

ADMINISTERED BALANCE SHEET

Department of Police	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets		2,849	3,009	3,009
Receivables		(2)	(3)	(3)
Inventories		..	..	..
Other		..	..	..
Non-financial assets held for sale		..	..	..
Total current assets		**2,847**	**3,006**	**3,006**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		..	..	..
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**..**	**..**	**..**
TOTAL ADMINISTERED ASSETS		**2,847**	**3,006**	**3,006**
CURRENT LIABILITIES				
Payables		58	234	234
Transfers to Government payable		50	60	60
Interest-bearing liabilities		..	..	..
Other		2,739	2,712	2,712
Total current liabilities		**2,847**	**3,006**	**3,006**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Interest-bearing liabilities		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL ADMINISTERED LIABILITIES		**2,847**	**3,006**	**3,006**
ADMINISTERED NET ASSETS/(LIABILITIES)		**..**	**..**	**..**
EQUITY				
Capital/Contributed equity		..	..	..
Retained surplus/(Accumulated deficit)		..	..	..
Reserves:		..	..	..
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL ADMINISTERED EQUITY		**..**	**..**	**..**

ADMINISTERED CASH FLOW STATEMENT

Department of Police	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Administered item receipts	57,60	441	441	701
Grants and other contributions		..	..	..
Taxes, fees and fines	58,61	7,949	7,954	8,440
Royalties, property income and other territorial revenues		..	..	..
Other		250	250	250
Outflows:				
Transfers to Government	59,62	(8,199)	(8,204)	(8,690)
Grants and subsidies		(441)	(441)	(701)
Supplies and services		..	..	..
Borrowing costs		..	..	..
Other		..	..	..
Net cash provided by/(used in) operating activities		**..**	**..**	**..**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(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/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**..**	**..**	**..**
Administered cash at beginning of financial year		**2,849**	**3,009**	**3,009**
Cash transfers from restructure		..	..	..
Administered cash at end of financial year		**2,849**	**3,009**	**3,009**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. Service revenue variance is mainly due to a reduction in funding for the Camera Detected Offence Program and revised completion dates for Policelink, the replacement of operational equipment and various ICT related projects. This reduction has been partially offset by additional funding for the Drink Safe Precinct pilots and to meet increased WorkCover costs, along with a transfer of funds from the Department of Transport and Main Roads for the New Queensland Drivers Licence Project.
2. Grants and other contributions variance is mainly due to a reduction in anticipated revenue for 'gifts received below fair value' for forensic services performed by Queensland Health for QPS at no charge, partially offset by an increase in grant funding for Queensland Health related drug projects, along with an increase in Crim Trac fees revenue.
3. Supplies and services variance is mainly due to a reduction in funding for the Camera Detected Offence Program and revised completion dates for Policelink, the replacement of operational equipment and various ICT related projects. This reduction has been partially offset by additional funding for the Drink Safe Precinct Pilots and increased WorkCover costs, and a transfer of funds from the Department of Transport and Main Roads for the New Queensland Drivers Licence Project.
4. Other expenses variance is mainly due to a revision of anticipated expenses for 'gifts received below fair value' for forensic services performed by Queensland Health for QPS at no charge.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

5. Service revenue variance is mainly due to additional funding for enterprise bargaining and police growth.
6. User charges variance is mainly due to CPI increases.
7. Employee expenses variance is mainly due to additional funding for enterprise bargaining and police growth.
8. Supplies and services variance is mainly due to additional funding for non-labour cost escalations.
9. Other expenses variance is mainly due to a revision of anticipated 'gifts received below fair value' for forensic services performed by Queensland Health for QPS at no charge.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

10. Service revenue variance is mainly due to additional funding for enterprise bargaining, police growth, and revised completion dates for Policelink, the replacement of operational equipment and various ICT related projects.
11. User charges variance is mainly due to CPI increases.
12. Grants and other contributions variance is mainly due to additional National Disaster Relief and Recovery Arrangements (NDRRA) funding to be received in 2011-12 for the Queensland floods and Cyclone Yasi.
13. Employee expenses variance is mainly due to additional funding for enterprise bargaining and police growth.
14. Supplies and services variance is mainly due to additional funding for non-labour cost escalations and revised completion dates for Policelink, the replacement of operational equipment and various ICT related projects.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

15. Cash assets variance is mainly due to conservative cash management.
16. Receivables variation is mainly due to the timing of annual leave claimed back from the Crown for the current portion of annual leave taken under the whole-of-Government Annual Leave Central Scheme (ALCS).
17. Other current assets variation is mainly due to a reduction in prepayments for salaries and wages to better reflect the end of year position.
18. Property, plant and equipment variation is mainly due to revised completion dates for the capital works program and various ICT related projects, and a revised forecast for the new Police Academy.
19. Intangibles variation is mainly due to a revised completion date for Computer Aided Dispatch.
20. Payables variation is mainly due to an anticipated increase in the estimated amounts owing (i.e. major capital related payments).
21. Accrued employee benefits variation is mainly due to increased annual leave and other salary related payables such as long service leave.
22. Other current liabilities variation is mainly due to a technical accounting change in the treatment of grants.
23. Capital/contributed equity variation is mainly due to revised completion dates for the capital works program and various ICT related projects, and a revised forecast for the new Police Academy.
24. Asset revaluation reserve variation is a result of 2009-10 end of year comprehensive revaluation outcomes.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

25. Cash assets balance is anticipated to be at similar levels to the 30 June 2010 balance.
26. Receivables variation is mainly due to the timing of annual leave claimed back from the Crown for the current portion of annual leave taken under the whole-of-Government ALCS.
27. Other current assets variation is mainly due to a reduction in prepayments for salaries and wages to better reflect the end of year position.
28. Property, plant and equipment variation is mainly due to revised completion dates for the capital works program and various ICT related projects, and a revised forecast for the new Police Academy, offset by a decrease in the estimated effects of the revaluation of land, buildings and dwellings.
29. Intangibles variation is mainly due to a revised completion date for Computer Aided Dispatch.
30. Payables variation is mainly due to an anticipated increase in the estimated amounts owing (i.e. major capital related payments).
31. Accrued employee benefits variation is mainly due to increased annual leave and other salary related payables such as long service leave.
32. Other current liabilities variation is mainly due to a technical accounting change in the treatment of grants.
33. Capital/contributed equity variation is mainly due to revised completion dates for the capital works program and various ICT related projects, and a revised forecast for the new Police Academy.

34. Asset revaluation reserve variation is a result of 2009-10 end of year comprehensive revaluation outcomes, along with an indexation factor applied to the forward estimates.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
35. Property, plant and equipment variation is mainly due to revised completion dates for the capital works program and various ICT related projects, and a revised forecast for the new Police Academy.
36. Capital/contributed equity variation is mainly due to revised completion dates for the capital works program and various ICT related projects, and a revised forecast for the new Police Academy.
37. Asset revaluation reserve variation is a result of an indexation factor applied to the forward estimates.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
38. Service receipts variance is mainly due to a reduction in funding for the Camera Detected Offence Program and revised completion dates for Policelink, the replacement of operational equipment and various ICT related projects. This reduction has been partially offset by additional funding for the Drink Safe Precinct Pilots and to meet increased WorkCover costs, along with a transfer of funds from the Department of Transport and Main Roads for the Queensland Drivers Licence Project.
39. Grants and other contributions variance is mainly due to an increase in grant funding for Queensland Health related drug projects, along with an increase in Crimtrac fees revenue.
40. Supplies and services variance is mainly due to a reduction in funding for the Camera Detected Offence Program and revised completion dates for Policelink, the replacement of operational equipment and various ICT related projects. This reduction has been partially offset by additional funding for the Drink Safe Precinct Pilots and increased WorkCover costs, and a transfer of funds from the Department of Transport and Main Roads for the New Queensland Drivers Licence Project.
41. Payments for property, plant and equipment and intangibles variation is mainly due to revised completion dates for the capital works program and various ICT related projects, and a revised forecast for the new Police Academy.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
42. Service receipts variance is mainly due to additional funding for enterprise bargaining and police growth.
43. User charges variance is mainly due to CPI increases.
44. Grants and other contributions variance is mainly due to additional NDRRA funding to be received in 2011-12 for the Queensland floods and Cyclone Yasi.
45. Employee costs variance is mainly due to additional funding for enterprise bargaining and police growth.
46. Supplies and services variance is mainly due to additional funding for general cost escalations.
47. Payments for property, plant and equipment and intangibles variation is mainly due to additional funding for the new Police Academy and for the purchase of new and upgraded operational equipment including vehicles, traffic cameras and marine vessels.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
48. Service receipts variance is mainly due to additional funding for enterprise bargaining, police growth, and revised completion dates for Policelink, the replacement of operational equipment and various ICT related projects.
49. Grants and other contributions variance is mainly due to additional NDRRA funding to be received in 2011-12 for the Queensland floods and Cyclone Yasi.
50. Employee costs variance is mainly due to additional funding for enterprise bargaining and police growth.
51. Supplies and services variance is mainly due to additional funding for general cost escalations and revised completion dates for Policelink, the replacement of operational equipment and various ICT related projects.
52. Payments for property, plant and equipment and intangibles variation is mainly due to revised completion dates for the capital works program and various ICT related projects, and a revised forecast for the new Police Academy, along with additional funding for upgraded operational equipment including vehicles, traffic cameras and marine vessels.

Administered income statement

Major variations between 2010-11 Budget and 2011-12 Estimate include:
53. Taxes, fees and fines variance is mainly due to additional revenue generated from increases in weapons licensing fees.
54. Administered revenue variance is mainly due to additional grant funding for the Prostitution Licensing Authority (PLA) to ensure the PLA can continue to facilitate an effective and efficient brothel licensing regime and promote health and safety in the industry.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
55. Taxes, fees and fines variance is mainly due to additional revenue generated from increases in weapons licensing fees.
56. Administered revenue variance is mainly due to additional grant funding for the PLA to ensure the PLA can continue to facilitate an effective and efficient brothel licensing regime and promote health and safety in the industry.

Administered cash flow statement

Major variations between 2010-11 Budget and 2011-12 Estimate include:
57. Administered item receipts variance is mainly due to additional grant funding for the PLA to ensure the PLA can continue to facilitate an effective and efficient brothel licensing regime and promote health and safety in the industry.
58. Taxes, fees and fines variance is mainly due to additional revenue generated from increases in weapons licensing fees.
59. Transfers to Government variance is mainly due to additional revenue generated from increases in weapons licensing fees.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
60. Administered item receipts variance is mainly due to additional grant funding for the PLA to ensure the PLA can continue to facilitate an effective and efficient brothel licensing regime and promote health and safety in the industry.
61. Taxes, fees and fines variance is mainly due to additional revenue generated from increases in weapons licensing fees.
62. Transfers to Government variance is mainly due to additional revenue generated from increases in weapons licensing fee

Statutory Body

Prostitution Licensing Authority

OVERVIEW

The Prostitution Licensing Authority (PLA) was established under the *Prostitution Act 1999* and commenced operation on 1 July 2000. Its primary functions are to decide brothel licence and approved manager's certificate applications, and to monitor the provision of prostitution through licensed brothels. The strategic priorities of the PLA are to ensure an effective and efficient brothel licensing regime, that brothels operate in accordance with community expectations and statutory requirements, to promote the health and safety of sex workers and clients, to limit the impact of prostitution on the community, and prevent the infiltration of organised crime and corruption in brothels. These priorities are addressed through the PLA's probity, compliance, and educative functions.

A key factor impacting on the PLA has been the diminishing size of the licensed brothel sector, with the number of brothels currently at 23. During 2010-11, three brothels ceased operations, whilst one new brothel opened. The closure of brothels has impacted on the PLA's ability to generate own-source revenue (in the form of brothel licence and approved manager's certificate fees). Therefore, the Government is providing an additional $250,000 per annum grant funding from 2011-12, to ensure that the PLA can continue to adequately fulfil its statutory functions, including the maintenance of an effective and efficient licensing regime and the promotion of health and safety in the sex industry. The PLA contributes to two of the Government's ambitions from *Toward Q2: Tomorrow's Queensland,* namely Healthy - *Making Queenslanders Australia's healthiest people*; and Fair - *Supporting safe and caring communities*. This is achieved, for example, by ensuring that only suitable persons may own or manage a brothel and that appropriate health and safety standards are maintained at brothels.

REVIEW OF PERFORMANCE

Recent achievements

- Engaged with the Crime and Misconduct Commission (CMC) review of the Prostitution Act by meeting with CMC officers, providing a comprehensive submission, and other information as requested.
- Implemented amendments to the Prostitution Act, including publishing and distributing *Guidelines for social escort services advertising.*
- Published and distributed a new multilingual brochure with a range of information relevant to culturally and linguistically diverse (CALD) sex workers.
- Developed a new licence condition, requiring brothels to display multilingual signs regarding sex worker rights, and sexual servitude/slavery.

Future developments

- Respond to the CMC review of the Prostitution Act.
- Engage with the Minister and stakeholders on proposed refinements to the Prostitution Act.
- Review the *Guidelines for the operation of licensed brothels* and brothel licence conditions.
- Consider further opportunities to educate the community and stakeholders about prostitution issues.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
		9.5	9.5	9.5

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

PERFORMANCE STATEMENT

Service standards	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Percentage of complaints resolved	1	95%	90%	95%
Percentage of licensed brothels implementing best practice standards	2	Amended Measure	100%	100%
Satisfaction of applicants with PLA client service		95%	96%	95%
Other measures				
Number of compliance activities conducted	3	210	200	200
Applications processed within PLA and forwarded to QPS within 20 business days	4	90%	90%	95%
Complaints to the PLA resolved within 20 business days	5	95%	100%	95%
State contribution ($000)		**441**	**441**	**701**
Other revenue ($000)		**1,004**	**553**	**769**
Total cost ($000)		**1,445**	**994**	**1,470**

Notes:
1. This standard refers to the proportion of complaints received in the reporting year that are resolved within the reporting year. The reason for the variance between the 2010-11 Target/estimate and the 2011-12 Estimated actual is that there were a larger number of complaints that were more complex and required more extensive scrutiny and investigation.
2. This standard has been amended from a number to a percentage.
3. The decline in the number of compliance activities is due to the downsizing of the licensed brothel sector.
4. The 2011-12 Target/estimate for 2011-12 has been increased to reflect the PLA commitment to enhanced service delivery.
5. This measure refers to the proportion of resolved complaints that are resolved within 20 business days.

INCOME STATEMENT

Prostitution Licensing Authority	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue		..	..	..
User charges		..	..	..
Grants and other contributions	5,9	441	441	701
Other revenue	1,6,10	1,004	553	769
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**1,445**	**994**	**1,470**
Expenses				
Employee expenses	7,11	761	778	897
Supplies and services	2,12	537	398	499
Grants and subsidies		..	..	..
Depreciation and amortisation	3,8	25	10	6
Finance/borrowing costs		..	..	..
Other expenses		64	64	66
Losses on sale/revaluation of property, plant and equipment and investments		5	6	2
Total expenses		**1,392**	**1,256**	**1,470**
OPERATING SURPLUS/(DEFICIT)	4	**53**	**(262)**	**..**

STATEMENT OF CHANGES IN EQUITY

Prostitution Licensing Authority	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		53	(262)	..
Total recognised income and expense for the period		**53**	**(262)**	**..**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**53**	**(262)**	**..**

BALANCE SHEET

Prostitution Licensing Authority	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	13,18	844	518	478
Receivables		10	12	11
Other financial assets		..	..	..
Inventories		..	..	..
Other		4	8	3
Non-financial assets held for sale		..	..	..
Total current assets		**858**	**538**	**492**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		112	99	95
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**112**	**99**	**95**
TOTAL ASSETS		**970**	**637**	**587**
CURRENT LIABILITIES				
Payables	14,19	42	88	88
Accrued employee benefits	15,20,22	113	59	29
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	16,21	46	69	69
Total current liabilities		**201**	**216**	**186**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits	17,23	37	54	34
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**37**	**54**	**34**
TOTAL LIABILITIES		**238**	**270**	**220**
NET ASSETS/(LIABILITIES)		**732**	**367**	**367**
EQUITY				
Capital/contributed equity		..	..	..
Accumulated surplus/(accumulated deficit)		732	367	367
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**732**	**367**	**367**

CASH FLOW STATEMENT

Prostitution Licensing Authority	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts		..	..	..
User charges		..	..	..
Grants and other contributions	28,33	441	441	701
Other	24,29,34	1,043	530	807
Outflows:				
Employee costs	30,35	(757)	(775)	(942)
Supplies and services	25,31	(537)	(449)	(499)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(104)	(108)	(103)
Net cash provided by/(used in) operating activities		**86**	**(361)**	**(36)**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment	26	82	65	72
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	27,32,36	(139)	(97)	(76)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(57)**	**(32)**	**(4)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**29**	**(393)**	**(40)**
Cash at the beginning of financial year		**815**	**911**	**518**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**844**	**518**	**478**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
1. The decrease is due to the timing of lodgement of annual returns, attributable to legislative amendments and the closure of three licensed brothels.
2. The savings are mainly due to the discontinuation of the proposed community education campaign and reduction in staff training.
3. The decrease is due to the decline in the value of plant and equipment.
4. The decrease is mainly due to the timing of lodgement of annual returns, attributable to legislative amendments and the closure of three licensed brothels.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
5. The increase is due to the Government providing an additional $250,000 grant funding per annum in recognition of reduced own source revenues due to a reduction in the size of the licensed brothel sector.
6. The decrease is due to the timing of lodgement of annual returns, attributable to legislative amendments and the closure of three licensed brothels.
7. The increase is due to employment of staff for succession training as a result of staff movements.
8. The decrease is due to the decline in the value of plant and equipment.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
9. The increase is due to the Government providing an additional $250,000 grant funding per annum in recognition of reduced own source revenues due to a reduction in the size of the licensed brothel sector.
10. The increase is due to the timing of lodgement of annual returns, attributable to legislative amendments.
11. The increase is due to employment of staff for succession training as a result of staff movements.
12. The increase is due to the finalisation of a legal matter commenced in the previous year.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
13. The decrease is due to the timing of lodgement of annual returns, attributable to legislative amendments and the closure of three licensed brothels.
14. The increase is due to the timing of payments to creditors.
15. The decrease is due to the timing of reimbursement of employee costs.
16. The increase is due to the timing of lodgement and consideration of brothel licence renewal applications.
17. The increase is due to the growth in recreation leave.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
18. The decrease is due to the timing of lodgement of annual returns, attributable to legislative amendments and the closure of three licensed brothels.
19. The increase is due to the timing of payments to creditors.
20. The decrease is due to the timing of reimbursement of employee costs and the reduction in recreation leave.
21. The increase is due to the timing of lodgement and consideration of brothel licence renewal applications.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
22. The decrease is due to the reduction in recreation leave.
23. The decrease is due to the reduction in recreation leave.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
24. The decrease is due to the timing of lodgement of annual returns, attributable to legislative amendments and the closure of three licensed brothels.
25. The savings are mainly due to the discontinuation of the proposed community education campaign and reduction in staff training.
26. The decrease is mainly due to the general decline in the resale value of plant and equipment.
27. The decrease is due to the timing of implementation of the asset replacement program.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
28. The increase is due to the Government providing an additional $250,000 grant funding per annum in recognition of reduced own source revenues due to a reduction in the size of the licensed brothel sector.
29. The decrease is due to the timing of lodgement of annual returns, attributable to legislative amendments and the closure of three licensed brothels.
30. The increase is due to employment of staff for succession training as a result of staff movements.
31. The increase is due to the finalisation of a legal matter commenced in the previous year.
32. The decrease is due to the timing of implementation of the asset replacement program.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
33. The increase is due to the Government providing an additional $250,000 grant funding per annum in recognition of reduced own source revenues due to a reduction in the size of the licensed brothel sector.
34. The increase is due to the timing of lodgement of annual returns, attributable to legislative amendments.
35. The increase is due to employment of staff for succession training as a result of staff movements.
36. The decrease is due to the timing of implementation of the asset replacement program.

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PART 16

Department of Justice and Attorney-General

Summary of departmental portfolio budgets

Page	Agency	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
3-168	Department of Justice and Attorney-General - controlled	525,557	541,188	594,926
	Department of Justice and Attorney-General - administered	258,229	303,006	326,799
3-195	Anti-Discrimination Commission Queensland	4,956	4,988	5,220
3-202	Crime and Misconduct Commission	48,564	49,241	50,553
3-211	Legal Aid Queensland	122,003	106,196	111,300
3-219	Office of the Information Commissioner	5,955	5,955	6,675

Note:
1. Explanations of variances are provided in the financial statements.

DEPARTMENTAL OVERVIEW

MINISTERIAL RESPONSIBILITY

The Department of Justice and Attorney-General has two responsible ministers:

- the Deputy Premier and Attorney-General, Minister for Local Government and Special Minister of State
- the Minister for Education and Industrial Relations.

STRATEGIC ISSUES

The department's purpose is to contribute to a fair and just society and safe, healthy, productive workplaces and community. It works towards a fair, safe and just Queensland through the following strategic objectives:

- improve the administration of Queensland's justice system
- better protect the rights and interests of Queenslanders
- improve health, safety and fairness in workplaces and the community
- improve safety and fairness for Queensland businesses and consumers
- improve our organisational effectiveness.

Machinery of government changes in February 2011 transferred responsibility for Liquor, Gaming and Office of Fair Trading from the Department of Employment, Economic Development and Innovation to the Department of Justice and Attorney-General.

The department supports the Government's *Toward Q2: Tomorrow's Queensland* ambitions of:

- Fair – *Supporting safe and caring communities* through services that deliver justice, protect vulnerable people, increase community and workplace safety, uphold rights, support volunteering and ensure a fair, equitable and safe marketplace
- Healthy – *Making Queenslanders Australia's healthiest people* through services that promote healthier workplaces, encourage responsible liquor consumption and provide intervention and diversionary strategies that deal with the contribution of drugs and alcohol to crime
- Strong – *Creating a diverse economy powered by bright ideas* through a fair and equitable industrial relations framework, a fair and equitable public sector wages policy and safe, collaborative, flexible and fair workplaces.

The department considers a number of environmental factors in its planning and service delivery: demand pressures from population growth and changing demographics; a culturally diverse and geographically decentralised State; maintaining public confidence in the systems that safeguard justice, safety and fairness; the reform agenda of the Council of Australian Governments (COAG); and the downturn in international markets.

2011-12 HIGHLIGHTS

In 2011-12, the department will:

- provide funding of $5.2 million ($20.3 million over four years) to address the increasing demand on guardianship services
- provide funding of $1.8 million over four years for additional professional legal prosecutions staff at Ipswich, Brisbane and Cairns

- provide funding of $2 million for the Murri Courts and the Queensland Indigenous Alcohol Diversion Program
- contribute grant funding to community organisations of $1.8 million to help victims of crime in Queensland
- provide funding of $16.6 million in 2011-12 ($61 million over four years) for legal aid services to vulnerable Queenslanders and to reduce the variability associated with funding these services from interest on solicitor's trust accounts
- implement the neighbourly disputes jurisdiction in the Queensland Civil and Administrative Tribunal (QCAT)
- continue construction of the new $570 million Brisbane Supreme Court and District Court building
- develop a new Criminal Justice Procedure Bill, uniform criminal procedure rules and processes to modernise and streamline criminal procedure in Queensland as a result of the second stage of reforms stemming from the Moynihan Review Implementation Project
- continue to settle reforms to the legal profession initiated through COAG and contribute to developing legislation to implement the reforms for uniform regulation of the legal profession
- commence a review of the *Right to Information Act 2009* and the *Information Privacy Act 2009*
- collaborate with public sector agencies and unions to plan, prepare, negotiate and finalise certified agreements due for renewal
- as part of national harmonisation, implement amendments to the *Electrical Safety Act 2002* and the *Electrical Safety Regulation 2002* to align with the nationally consistent framework for work-related workplace safety risks
- develop a public advertising campaign 'Don't do your own electrical work' to increase awareness of the dangers of not using a licensed electrical contractor
- implement a new Work Health and Safety Act to give effect to the national model Work Health and Safety Act (model WHS Act) developed and agreed under the *Inter-Governmental Agreement for Regulatory and Operational Reform in Occupational Health and Safety*. This will repeal the *Workplace Health and Safety Act 1995* and the *Dangerous Goods Safety Management Act 2001* and amend the *Electrical Safety Act 2002* to ensure consistency with the model WHS Act
- deliver a number of intervention campaigns (including advisory and compliance components) across a range of industries such as the construction, manufacturing, transport and rural industries focussing on particular risks that significantly contribute to serious injuries in the workplace, such as manual tasks, working around moving plant, and falls from height
- deliver the Injury Prevention and Management program (in conjunction with WorkCover Queensland) to influence employers in improving their capabilities and willingness to improve their workplace health and safety, return to work and rehabilitation outcomes
- continue to work in partnership with the Australian Government to provide private sector industrial relations services to workers and employers covered by Queensland legislation and the *Fair Work (Commonwealth Powers) and Other Provisions Act 2009*
- implement the Work Life Balance Strategy in the private and public sectors to encourage the uptake of flexible work practices
- refer business names registration powers to the Australian Government, as part of the establishment of a national business names registration system
- pass legislation to effect the split of the *Property Agents and Motor Dealers Act 2000* into industry specific legislation, as recommended by the former Service Delivery and Performance Commission

- pass legislation to establish a single Act that consolidates powers for fair trading inspectors
- continue the two year pilot of the Drink Safe Precincts program aimed at developing local solutions to curb alcohol-related violence in Queensland
- release the Queensland Liquor Regulatory Harm Minimisation Strategy which will outline a strategic and coordinated approach to reducing alcohol-related harm within and around licensed premises
- update the strategic policy framework for gambling in Queensland by revising the *Queensland Responsible Gambling Strategy* and *Policy Direction for Gambling in Queensland*, to provide a balanced approach to gambling regulation and the coordination of best practice gambling harm minimisation initiatives.

RECENT ACHIEVEMENTS

- Developed and successfully implemented the *Civil and Criminal Jurisdiction Reform and Modernisation Amendment Act 2010*, the first stage of the Government's response to the review of the civil and criminal justice system in Queensland (the Moynihan Review).
- Improved the administration of Queensland Courts by consolidating corporate services units within the courts and realigning registry operations to form the Queensland Courts Service.
- Provided grant funding totalling $4 million to 52 Community Justice Groups across Queensland, enabling volunteer Community Justice Group members to support victims and offenders from their local community at all stages of the legal process.
- Continued the special circumstances court diversion program to provide support to people in the community who are homeless, or at risk of homelessness, or who have impaired capacity.
- Commenced the implementation project to digitise approximately six million births, deaths and marriages records currently held in paper or index format.
- Continued the 12 month trial of vehicle immobilisation and two-year trial of seizure and sale in the Brisbane metropolitan area to increase recovery of fines by identifying debtors and trialling these new enforcement actions to motivate payment.
- Commenced trialling the use of SMS technology to improve recovery of fines.
- Administered funding of $1.7 million to five organisations to provide specialised counselling services, court support and supported referrals to victims of crime.
- Developed resources, information and professional training to support men who have experienced childhood sexual abuse or assault, and resources for services which support women who have an intellectual disability and are victims of crime.
- Increased operational Justices of the Peace community signing sites to a total of 145; increasing the number of active volunteers in the community directly contributes to the Government's *Toward Q2: Tomorrow's Queensland* ambition Fair - *Supporting safe and caring communities.*
- Increased services to regional communities by opening a second regional Office of the Adult Guardian in Ipswich.
- Held nine planning for life forums across Queensland in a partnership between the department, the Public Trustee and the Adult Guardian to encourage people to organise their affairs through the use of wills, enduring powers of attorney and advanced health directives.
- Identified the need for improved service delivery to homeless people in the Townsville area and began providing coordinated court and guardianship services to vulnerable adults in this region.

- Completed a $4 million upgrade to the Southport Courthouse to include three new courtrooms, new magistrates chambers, additional public seating and state-of-the-art audiovisual equipment.
- Completed a $10 million refurbishment of the Toowoomba Courthouse to include new public areas and expanded and modernised courtrooms and registry.
- Developed the Neighbourhood Disputes Resolution Bill 2010.
- Developed the Electoral Reform and Accountability Amendment Bill 2011 which will fundamentally change the financing of election campaigns in Queensland.
- Established a Sentencing Advisory Council to help bridge the gap between community expectations, the courts and government on the complex issue of sentencing criminal offenders.
- Collaborated with agencies and public sector unions to plan, prepare, negotiate and finalise certified agreements due for renewal.
- Amended electrical safety legislation to introduce the concept of a responsible supplier of electrical equipment and create a national database in response to a recommendation of a national review of electrical equipment safety systems.
- Developed the *Occupational Licensing National Law (Queensland) Act 2010* as part of the introduction of national licensing to commence from July 2012.
- Continued to work in partnership with the Australian Government, other jurisdictions and the Electrical Regulatory Authorities Council to improve national consistency in workplace health and safety laws, workers' compensation arrangements, electrical licensing, electrical equipment safety systems and energy supply harmonisation.
- Targeted over 6,000 medium size businesses throughout Queensland to improve the businesses' safety management systems and reduce the incidence of workplace injuries and fatalities.
- Responded with a number of initiatives to help businesses and communities following Queensland's summer of natural disasters, including undertaking over 2,100 field visits to advise businesses, volunteers, community organisations and individuals on how to clean-up and commence rebuilding safely, and extending the Workplace Health and Safety Queensland call centre operating hours to provide seven day a week coverage.
- Established an asbestos unit to drive a new strategy for minimising exposure to asbestos arising from business activities, improving inspectorate capacity to support the asbestos strategy and providing high level technical advice about asbestos risk.
- Continued a program to convert old style occupational tickets to a photographic and renewable licence format for high risk work, placing the department in a favourable position to align with the licensing provisions of the new harmonised model laws for high risk work commencing on 1 January 2012.
- Made the Mandatory Code of Practice for Clothing Outworkers which commenced on 1 January 2011.
- Facilitated Queensland's endorsement of the national ratification of the International Labour Organisation (ILO) Maritime Labour Convention.
- Continued to work with the Australian Government and other jurisdictions to improve the delivery of the new national private sector industrial relations system.
- Established and oversaw an interdepartmental governance committee to ensure a consistent whole-of-Government approach to the implementation of the federal paid parental leave scheme across Queensland Government agencies.
- Implemented the Australian Consumer Law, an integral part of the COAG Seamless National Economy agenda.
- Referred responsibility for the regulation of consumer credit to the Australian Government, which was also part of the Seamless National Economy agenda.

- Finalised and implemented the outcomes of a review of the *Manufactured Homes (Residential Parks) Act 2003.*
- Supported the continued roll-out of pre-commitment technology on gaming machines to over 40 clubs and hotels in Queensland, providing consumers with the ability to control the amount of money and time spent gambling.
- Coordinated the establishment of the drink safe precinct committees and development of the local management plans aimed at curbing alcohol-related violence.
- Implemented Operation Turner, to target unlicensed motor dealers and odometer tamperers resulting in 19 prosecutions and fines totalling $123,500.
- Undertook a series of regional road shows in rural and remote locations to take 'fair trading' to regional Queensland.
- Commenced a new funding priority using up to $10 million over three years from the Gambling Community Benefit Fund to support the installation of small scale solar technology for not for profit community organisations.
- Commenced a one-off Liquor Accords Financial Assistance Program for Queensland Liquor Accords.
- Introduced a mandatory Responsible Service of Gambling training framework for persons performing defined gaming roles effective from 1 October 2010.

DEPARTMENTAL SERVICES

The department's service areas are:

Criminal and Civil Justice

Criminal and Civil Justice includes Queensland's courts and tribunals. It also provides coronial and prosecution services and manages the State's collection of fines and penalties. This service area provides diversion programs to address crime related social problems, Justice of the Peace services and civil and criminal mediation services across the State. It contributes to the department's objectives to improve the administration of Queensland's justice system and protect the rights and interests of Queenslanders.

Fair and Safe Work

Fair and Safe Work provides workplace health and safety services and workers' compensation policy advice. It supports a fair and equitable industrial relations framework for the private sector in Queensland and works to improve public sector industrial and employee relations policies and practices. It develops and enforces standards for electrical safety and promotes strategies for improved electrical safety performance. This service area contributes to the department's objective to improve health, safety and fairness in workplaces and the community.

Legal

Legal provides independent legal services for public sector agencies and the State. It also develops and coordinates proposals for justice related legislation and provides advice on law reform and justice policy. This service area contributes to the department's objectives to improve the administration of Queensland's justice system and protect the rights and interests of Queenslanders.

Human Rights Protection

Human Rights Protection provides guardianship and victims of crime services. It also provides births, deaths and marriages registration services. It contributes to the department's objective to protect the rights and interests of Queenslanders.

Liquor, Gaming and Fair Trading

Liquor, Gaming and Fair Trading provides regulatory and consumer protection services across the liquor, gaming, and general services sectors. It encourages marketplace and industry integrity fostering business and consumer confidence while implementing initiatives that minimise harm from liquor and gambling and educating and protecting vulnerable consumers. This service area contributes to the department's objective to improve safety and fairness for Queensland businesses and consumers.

STAFFING[1]

Service areas	Notes	2010-11 Adjusted Budget	2010-11 Est. actual	2011-12 Estimate
Services	2			
Criminal and Civil Justice		2,045	2,046	2,005
Fair and Safe Work		860	888	888
Legal		376	393	381
Human Rights Protection		257	288	287
Liquor, Gaming and Fair Trading		596	596	596
Total services		**4,134**	**4,211**	**4,157**
ADMINISTERED				
Judicial Officers	3	157	157.3	158
Liquor, Gaming and Fair Trading		2.6	2.6	2.6
Total Administered		**159.6**	**159.9**	**160.6**
Total		**4,293.6**	**4,370.9**	**4,317.6**

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate FTEs are allocated across the services to which they relate.
3. Judicial officers include Supreme Court Judges, District Court Judges, Magistrates, Land Court and Land and Resources Tribunal.

2011-12 SERVICE SUMMARY[1]

Service areas	Total cost $'000	Sources of revenue			
		State Contribution $'000	User charges $'000	C'wealth revenue $'000	Other revenue $'000
Criminal and Civil Justice	298,824	261,939	30,824	..	6,061
Fair and Safe Work	123,872	54,466	9,360	..	60,046
Legal	46,369	9,787	30,891	..	5,691
Human Rights Protection	38,069	24,184	12,773	..	1,112
Liquor, Gaming and Fair Trading	87,792	43,065	7,248	..	37,479
Total	**594,926**	**393,441**	**91,096**	**..**	**110,389**

Note:
1. Explanations of variances are provided in the financial statements.

ADMINISTERED ITEMS

DESCRIPTION

Judicial officers

Remuneration to Queensland's judges and magistrates is regulated by the *Judicial Remuneration Act 2007*. The Act ensures that judicial salaries and allowances in Queensland are adjusted regularly against recognised benchmarks and that salary increases for Federal Court judges will automatically flow through to Queensland's judiciary.

Appeal Costs Fund Payments

The *Appeal Costs Fund Act 1973* allows for the reimbursement of certain costs associated with trials that were discontinued or successfully appealed against on a question of law or ordered to be paid by a presiding judicial officer in relation to an appeal on a question of law. The purpose of the Act is to ensure that participants in the legal system are not financially inconvenienced by the illness of a judge or magistrate, the inability of a jury to reach a conclusion or judicial errors of law.

A board comprised of members of the legal profession and representatives of the department decides reimbursement. The department is responsible for the administrative functions of the Appeal Costs Board, including legal advice on current applications and policy issues.

Financial Assistance to Victims of Crime

Victim Assist Queensland commenced on 1 December 2009 to administer the *Victims of Crime Assistance Act 2009* (VOCAA). The new scheme provides financial assistance for treatment and support to help victims recover as quickly as possible from the physical and psychological effects of the crime. Victim Assist Queensland is a central point to access financial assistance, victim support services and victims' complaint resolution.

Criminal Injuries Compensation

Victims of an indictable offence who incurred physical or mental injury were able to seek compensation from the offender under the *Criminal Code Act 1899* for injuries before 18 December 1995 or the *Criminal Offence Victims Act 1995* (COVA) for injuries incurred on or after 18 December 1995. If the offender was not known or could not be located or if the offender was financially unable to pay the compensation, the victim may apply for an ex-gratia payment of compensation. This legislation was repealed on 1 December 2009. However, this scheme continues to receive applications due to transitional provisions in new legislation which provided for applications to be made to the courts for criminal injury compensation up to 1 February 2010. Outstanding matters not finalised under COVA/Code lodged with the department and the Supreme and District Courts continue to be dealt with under the COVA/Code provisions. It is expected that matters under COVA/Code will finalised by 31 December 2012.

Families of Victims of Homicide

COVA provided assistance for the burial or cremation of a person who is a victim of a homicide, payment of certain expenses to family members, and payment of compensation to dependants of the victim. Applications under COVA which were not finalised by 1 December 2009 will continue to be dealt with under the old Act by a team located within the new scheme. It is expected that these matters will be finalised by December 2011.

Funding for Independent Agencies

The department receives and provides government funding for a number of statutory authorities within the portfolio. These include:

- Anti-Discrimination Commission Queensland
- Crime and Misconduct Commission
- Legal Aid Queensland
- Office of the Information Commissioner.

Business names

The *Business Names Act 1962* requires a person who carries on a business under a name, other than their own name, to register the name. The purpose of registration is to enable the public to search the register to determine who is actually carrying on business under the name in the event of a dispute or court action.

Office of Liquor and Gaming Regulation

Total revenue earned through the administration of Acts within the department's jurisdiction is expected to be $34.8 million in 2011-12. This primarily relates to:

- rent of casino buildings of $2.5 million
- liquor and gaming licensing fees of $30.9 million
- fines and forfeitures of $1.4 million.

PAMDA Trust Account interest

Under the *Property Agents and Motor Dealers Act 2000*, real estate agents must put deposits, rent and purchase money for transactions into a general trust account. To a lesser extent, this also applies to motor dealers, auctioneers and commercial agents. There are approximately 7,500 trust accounts held across 16 financial institutions in Queensland.

PAMDA Claim Fund

The *Property Agents and Motor Dealers Act 2000* enables consumers to make a claim for compensation if they suffer a financial loss due to certain actions or omissions by a real estate agent, motor dealer, auctioneer or commercial agent.

Approximately $1.5 million is received in administered appropriation each year for the Property Agents and Motor Dealers' (PAMD) Claim Fund to provide redress to consumers who suffer financial loss because a licensee contravenes a claimable offence under the Act. Any unused balance is returned to the Consolidated Fund.

Property agents and motor dealer licensing

Persons who carry on business as a real estate agent, motor dealer, auctioneer or commercial agent are required to meet qualification and suitability requirements to hold a licence. Their employees who undertake similar functions are required to be registered.

Register of Encumbered Vehicles – REVS

The *Motor Vehicles and Boats Securities Act 1986* fulfils two purposes:

- it provides a mechanism for financiers to record their priority in relation to a security interest against a motor vehicle, boat or outboard motor, over a competing financier that may also hold a security interest against the same chattel

- it also provides financiers, motor dealers and consumers with a searchable public register to check if a particular motor vehicle, boat or outboard motor is the subject of a security interest.

Financial statements and variance explanations in relation to Administered Items appear in the Departmental Financial Statements.

DEPARTMENTAL STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Criminal and civil justice - Service standards				
Court services				
Supreme Court – Court of Appeal				
Clearance rate (finalisations/lodgements) per cent				
• Civil law		100%	104%	100%
• Criminal law	1	112%	107%	109%
Backlog indicator (greater than 24 months) per cent				
• Civil law		0%	0%	0%
• Criminal law		0%	0%	0%
Supreme Court – Trial Division				
Clearance rate (finalisations/lodgements) per cent				
• Civil law	2	100%	116%	100%
• Criminal law	3	101%	96%	101%
Backlog indicator (greater than 24 months) per cent				
• Civil law	4	5%	6%	5%
• Criminal law		5%	4%	5%
District Court				
Clearance rate (finalisations/lodgements) per cent				
• Civil law		100%	102%	100%
• Criminal law		100%	105%	100%
Backlog indicator (greater than 24 months) per cent				
• Civil law		5%	4%	5%
• Criminal law		5%	6%	5%
District Court - Appeals				
Clearance rate (finalisations/lodgements) per cent				
• Civil law	5	100%	115%	100%
• Criminal law	6	100%	26%	100%
Backlog indicator (greater than 24 months) per cent				
• Civil law		0%	4%	0%
• Criminal law		0%	0%	0%
Magistrates Courts				
Clearance rate (finalisations/lodgements) per cent				
• Civil law	7	100%	110%	100%
• Criminal law		100%	103%	100%

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Backlog indicator (greater than 12 months) per cent				
• Civil law		6%	8%	6%
• Criminal law		12%	13%	12%
Childrens Court				
Clearance rate (finalisations/lodgements) per cent				
• Civil law		New measure	New measure	100%
• Criminal law				100%
Backlog indicator (greater than 12 months) per cent				
• Civil law		New measure	New measure	8%
• Criminal law				8%
Coroners Court				
Clearance rate (finalisations/lodgements) per cent		97%	93%	97%
Backlog indicator (greater than 24 months) per cent		5%	9%	5%
Land Court and Tribunals				
Clearance rate (finalisations/lodgements) per cent	8	95%	63%	95%
Backlog indicator (greater than 12 months) per cent	9	5%	18%	5%
Courts Innovation Program				
Diversionary court programs' completion rate		82%	82%	82%
Prosecution services				
Average time for presentation of indictments (months)	10	New measure	New measure	6
Penalties enforcement services				
Clearance rate (finalisations/lodgements) per cent	11	71%	77%	71%
Percentage of the debt pool under compliance	12	60%	40%	60%
Dispute resolution services				
Agreement rate per cent				
• Civil		80%	80%	80%
• Criminal		95%	95%	95%
Tribunal services				
Body Corporate and Community Management				
Clearance rate (finalisations/lodgements) per cent		95%	95%	95%

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Queensland Civil and Administrative Tribunal				
Clearance rate (finalisations/lodgements) per cent	13	60%	91%	85%
State contribution ($000)		252,137	262,278	261,939
Other revenue ($000)		31,353	34,709	36,885
Total cost ($000)		283,669	296,987	298,824
Service Area: Fair and safe work - Service standards				
Industrial relations services				
Private sector industrial relations				
Overall client satisfaction with work life balance information		New measure	New measure	To be benchmarked
Administration of the Industrial Court and Commission system				
Percentage of matters resolved at conference	14	70%	65%	65%
Average time for decisions to be published and made available to the community (days)	10	New measure	New measure	3.5
Level of client satisfaction with registry services	15	85%	95%	85%
Public sector industrial and employee relations services				
Client / stakeholder satisfaction with the services and advice provided on public sector IR (per cent)		85-90%	91%	85-90%
Cost of public sector industrial and employee relations service per Queensland public sector worker		$15.00	$15.00	$15.00
Workplace health and safety services				
Percentage of successful prosecutions (per cent)		85%	85%	85%
Overall client satisfaction by workplaces with the inspectorate's effectiveness and professionalism	16	75-80%	..	75-80%
Cost of WHSQ services per worker covered by the workers' compensation scheme	17	$25.62	$30.97	$25.62
Electrical safety services				
The number of reported serious electrical incidents involving powerlines, installations and electrical equipment per million population	18	40	6	10
Overall client satisfaction with:				
• access to inspectorate contact	10,16	Amended measure	..	85%
• access to and relevance of electrical safety seminar programs				90%

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Cost of electrical safety services per person in Queensland		$3.36	$3.36	$3.36
Other measures				
Industrial relations services				
Administration of the Industrial Court and Commission system				
Percentage of matters completed within three months		75%	78%	75%
State contribution ($000)		55,728	55,188	54,466
Other revenue ($000)		65,722	66,490	69,406
Total cost ($000)		121,636	121,678	123,872
Service Area: Legal - Service standards				
Legal services to Government				
Overall client satisfaction with services provided (feedback rating from 1 to 7)	10	New measure	New measure	5
Productivity for chargeable hours		100%	100%	100%
State contribution ($000)		10,655	12,009	9,787
Other revenue ($000)		35,696	35,552	36,582
Total cost ($000)		46,351	47,561	46,369
Service Area: Human rights protection - Service standards				
Life event registration services				
Average time to register life events (days):				
• births	10	New measure	New measure	7
• marriages				5
• deaths				3
• changes of name				15
Average time to issue life event certificates (days)	10	New measure	New measure	5
Victims of crime assistance services				
Average length of time (calendar days) for financial assistance applications to be assessed:				
• interim assessments	10	New measure	New measure	21
• funeral assessments				21
• general assessments				90
• general assessments for secondary and related victims				180
Percentage of clients satisfied with the overall service:				
• financial assistance	10	New measure	New measure	70%
• LinkUp				70%

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Guardianship services				
Average time to complete referred investigations (months)	10	New measure	New measure	5.5
Other measures				
Guardianship services				
Percentage of quality assurance audits of the delivery of guardianship services that meet targets	19	80%	82%	80%
State contribution ($000)		23,515	23,250	24,184
Other revenue ($000)		14,655	11,715	13,885
Total cost ($000)		37,465	34,965	38,069
Service Area: Liquor, gaming and fair trading - Service standards				
Facilitate a business climate which is well understood and respected				
Percentage of decisions upheld on appeal		70%	70%	70%
Proportion of disputes/conciliations satisfactorily finalised		80%	81%	80%
Protect Queensland's economy now and for the future				
Consumer redress facilitated by the Office of Fair Trading	21	$3 million	$4.3 million	$3 million
Other measures				
Facilitate a business climate which is well understood and respected				
Proportion of licensing applications and registration services processed within timeframes established in service delivery standards		90%	88.5%	90%
Proportion of audit, probity and inspection activities completed in accordance with annual program targets	22	90%	98.5%	90%
Proportion of investigations completed within timeframes established in service delivery standards	23	75%	85.5%	75%
Proportion of complaints/conciliations resolved within timeframes established in service delivery standards		85%	85.5%	85%
Social marketing campaigns achieve the expected level of awareness in target audiences	24	75%	100%	75%

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Protect Queensland's economy now and for the future				
Proportion of Indigenous communities subject to alcohol restrictions where community development activities are completed in accordance with annual program targets	25	85%	100%	85%
State contribution ($000)		48,092	47,086	43,065
Other revenue ($000)		44,885	49,152	44,727
Total cost ($000)		92,977	96,238	87,792

Notes:

1. The court has no control over lodgements. The 2011-12 target has been reduced to better align with this year's estimated actual.
2. The increase in the monetary jurisdiction of the Supreme Court on 1 November 2010 from $250,000 to $750,000 as a result of the *Civil and Criminal Jurisdiction Reform and Modernisation (Amendment) Act 2010,* as well as an overall reduction in the number of lodgements for the year, has led to an increased clearance rate.
3. The court has no control over the number of lodgements. Although the court is expected to finalise more matters than projected for the year, an increase in lodgements has resulted in a clearance rate of less than 100%.
4. Although clearance rates have improved in the Supreme Court (see note 2), the effect of these changes will take longer to reduce the backlogs. This is because the backlog relates to the last 24 months and the changes came into effect on 1 November 2010.
5. This variance is based on a very small number of lodgements and finalisations.
6. The court has no control over lodgements. As at 28 February 2011, 428 appeals out of a state total of 657 were lodged in Townsville about a particular aspect of liquor licensing law. While it is expected that the resolution of one of those appeals will result in the finalisation of them all, this process may carry over into the next financial year.
7. The clearance rate is higher than anticipated due to the decrease in the number of civil cases lodged in the Magistrates Court since the introduction of Queensland Civil and Administrative Tribunal (QCAT). The number of finalisations has remained steady due to the backlog of cases lodged before QCAT commenced.
8. Fewer matters lodged in 2010-11 could be finalised by the alternate dispute resolution process, meaning that a greater number of matters required resolution by the Land Court and Tribunals. This longer process and extreme weather conditions prevented the Land Court and Tribunals from attending some rural areas and resulted in less matters being finalised in 2010-11.
9. Most matters in the backlog category are highly complex and each requires evidence from a range of experts. This affects the ability to have all experts concurrently available for hearing and is the major contributor to delays .
10. This service standard is a previous service standard that has been recast to support the measurement of efficiency or effectiveness.
11. A marginal decrease in lodgements and a marginal increase in finalisations has resulted in a higher than expected clearance rate.
12. This service standard measures debts under active compliance and active enforcement. The deferral of payment plans and enforcement action undertaken as a result of the Queensland floods and Cyclones Yasi and Anthony has impacted on this service standard. Debts that have been deferred are not considered to be under active compliance or enforcement under the rules of this measure.
13. Since its commencement, QCAT has used active case management techniques and alternate dispute resolution processes to ensure matters are dealt with effectively and in a timely manner. These initiatives have contributed to QCAT's outstanding clearance rate for the year.
14. Anecdotal evidence is that cases are becoming more complex and parties are less willing to resolve at conference.
15. This level of client satisfaction has been achieved due to improvements to the website, including providing free access to the Industrial Relations Information System (IRIS).
16. Surveys are conducted on a biennial basis. Surveys were not conducted in 2010-11. The next survey is due to be conducted in 2012.
17. Expenditure increased on the Injury Prevention and Management program, Homecomings, and other health and safety awareness initiatives.
18. This is a positive indicator of electrical safety performance. It is based on a five year rolling average. This service standard was a new measure in 2010-11. The result for 2010-11 provided a benchmark less than the 2010-11 Target/Estimate. Therefore, the Target/Estimate for 2011-12 has been decreased.
19. Ongoing training and support provided to guardians has resulted in higher than initially expected quality audit results.
20. A suitable measure of efficiency is currently being investigated.
21. Redress is the compensation, or the in-kind value to address issues a consumer has complained about. The amount of redress can vary significantly as it depends on the nature of complaints on hand. Redress can be achieved through conciliation, investigations, prosecution, restitution and from the Property Agents and Motor Dealer's Claim Fund.
22. This continuing positive result is due to appropriate monitoring and revision of audit, probity and inspection calendars. The program is reviewed regularly and amended to reflect operational imperatives, unforseen contingencies and resource availability.
23. A larger than usual proportion of complaints were resolved through conciliation rather than investigation. Combined with having to deal with fewer complex investigations, this resulted in improved timeliness.
24. One successful social marketing campaign aimed at reducing the irresponsible supply of alcohol to minors by parents was run and evaluated in 2010-11.
25. In 2010-11 extensive consultation on setting alcohol-related harm reduction targets and community safety planning was conducted in each of the 19 restricted area communities in addition to the planned annual program.

INCOME STATEMENT

Department of Justice and Attorney-General	Notes	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue	1,4,12	362,698	372,682	393,441
User charges	5,13	79,704	81,353	91,096
Grants and other contributions	6,14	81,620	85,078	108,190
Other revenue		1,875	2,075	2,199
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**525,897**	**541,188**	**594,926**
Expenses				
Employee expenses	2,7,15	331,223	339,761	384,101
Supplies and services	8,16	139,595	141,750	148,377
Grants and subsidies	9,17	13,549	14,856	16,779
Depreciation and amortisation	3,10	36,005	39,305	41,266
Finance/borrowing costs	11,18	2,039	2,039	808
Other expenses		3,146	3,477	3,595
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**525,557**	**541,188**	**594,926**
OPERATING SURPLUS/(DEFICIT)		**340**	**..**	**..**

STATEMENT OF CHANGES IN EQUITY

Department of Justice and Attorney-General	Notes	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		17,935	17,935	18,013
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**17,935**	**17,935**	**18,013**
Surplus/(deficit) for the period		340	..	..
Total recognised income and expense for the period		**18,275**	**17,935**	**18,013**
Equity injection/(withdrawal)	19,21,22	297,782	165,557	240,887
Equity adjustments (MoG transfers)	20	12,203	9,977	..
Total movement in equity for period		**328,260**	**193,469**	**258,900**

BALANCE SHEET

Department of Justice and Attorney-General	Notes	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	23,28	32,102	17,458	18,727
Receivables	24,29	24,274	42,486	42,486
Other financial assets		..	..	..
Inventories		158	225	225
Other		3,816	3,502	2,072
Non-financial assets held for sale		..	..	..
Total current assets		**60,350**	**63,671**	**63,510**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	25,30,35	1,215,284	1,075,089	1,317,832
Intangibles		39,606	37,523	34,159
Other		..	811	811
Total non-current assets		**1,254,890**	**1,113,423**	**1,352,802**
TOTAL ASSETS		**1,315,240**	**1,177,094**	**1,416,312**
CURRENT LIABILITIES				
Payables	26,31	39,720	33,434	33,562
Accrued employee benefits		8,398	8,215	8,223
Interest-bearing liabilities and derivatives	32,36	19,847	19,798	..
Provisions		..	..	..
Other		435	3,553	3,533
Total current liabilities		**68,400**	**65,000**	**45,318**
NON-CURRENT LIABILITIES				
Payables		..	1,244	1,244
Accrued employee benefits		..	118	118
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		20	70	70
Total non-current liabilities		**20**	**1,432**	**1,432**
TOTAL LIABILITIES		**68,420**	**66,432**	**46,750**
NET ASSETS/(LIABILITIES)		**1,246,820**	**1,110,662**	**1,369,562**
EQUITY				
Capital/contributed equity	27,33,37	664,188	524,803	765,690
Accumulated surplus/(accumulated deficit)		266,123	268,695	268,695
Reserves:				
- Asset revaluation surplus	34,38	316,509	317,164	335,177
- Other (specify)		..	..	..
TOTAL EQUITY		**1,246,820**	**1,110,662**	**1,369,562**

CASH FLOW STATEMENT

Department of Justice and Attorney-General	Notes	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts	39,45,55	362,698	371,767	393,441
User charges	46,56	85,356	87,005	96,748
Grants and other contributions	47,57	77,423	80,881	103,993
Other		13,269	13,469	13,593
Outflows:				
Employee costs	40,48,58	(331,215)	(338,502)	(382,842)
Supplies and services	49,59	(146,592)	(148,747)	(155,375)
Grants and subsidies	50,60	(13,549)	(14,856)	(16,779)
Borrowing costs	51,61	(2,039)	(2,039)	(808)
Other		(8,819)	(9,150)	(9,267)
Net cash provided by/(used in) operating activities		**36,532**	**39,828**	**42,704**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	41,52,62	(316,963)	(191,777)	(262,632)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(316,963)**	**(191,777)**	**(262,632)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	42,53,63	318,650	190,385	268,666
Outflows:				
Borrowing redemptions		(18,459)	(18,459)	(19,690)
Finance lease payments		..	..	..
Equity withdrawals	43,54,64	(20,868)	(24,828)	(27,779)
Net cash provided by/(used in) financing activities		**279,323**	**147,098**	**221,197**
Net increase/(decrease) in cash held		**(1,108)**	**(4,851)**	**1,269**
Cash at the beginning of financial year		**23,129**	**19,848**	**17,458**
Cash transfers from restructure	44	10,081	2,461	..
Cash at the end of financial year		**32,102**	**17,458**	**18,727**

ADMINISTERED INCOME STATEMENT

Department of Justice and Attorney-General	Notes	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Revenues				
Commonwealth grants		..	..	..
Taxes, fees and fines	65,70,76	270,601	281,795	350,336
Royalties, property income and other territorial Revenue		..	..	..
Interest		119	119	189
Administered revenue	66,71	222,616	239,179	238,505
Other	72,77	26,637	26,299	66,181
Total revenues		**519,973**	**547,392**	**655,211**
Expenses				
Supplies and services		4,414	4,561	4,605
Depreciation and amortisation		..	..	..
Grants and subsidies	73,78	155,741	156,230	196,077
Benefit payments	67,79	24,490	35,490	25,530
Borrowing costs		..	..	..
Other	68,74,80	73,584	106,725	100,587
Total expenses		**258,229**	**303,006**	**326,799**
Net surplus or deficit before transfers to Government		**261,744**	**244,386**	**328,412**
Transfers of administered revenue to Government	69,75,81	**261,898**	**244,540**	**328,566**
OPERATING SURPLUS/(DEFICIT)		**(154)**	**(154)**	**(154)**

ADMINISTERED BALANCE SHEET

Department of Justice and Attorney-General	Notes	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	82,88	34,377	51,620	52,066
Receivables	83,89,94	303,545	342,240	358,932
Inventories		..	..	..
Other	84,90	3,384	870	870
Non-financial assets held for sale		..	..	..
Total current assets		**341,306**	**394,730**	**411,868**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		..	..	..
Intangibles		..	..	..
Other		86,771	88,753	88,753
Total non-current assets		**86,771**	**88,753**	**88,753**
TOTAL ADMINISTERED ASSETS		**428,077**	**483,483**	**500,621**
CURRENT LIABILITIES				
Payables		10,041	9,218	9,218
Transfers to Government payable	85,91,95	298,792	318,987	336,279
Interest-bearing liabilities		..	..	..
Other	86,92	14,544	23,252	23,252
Total current liabilities		**323,377**	**351,457**	**368,749**
NON-CURRENT LIABILITIES				
Payables		5,336	4,284	4,284
Interest-bearing liabilities		..	..	..
Other	86,92	88,980	95,267	95,267
Total non-current liabilities		**94,316**	**99,551**	**99,551**
TOTAL ADMINISTERED LIABILITIES		**417,693**	**451,008**	**468,300**
ADMINISTERED NET ASSETS/(LIABILITIES)		**10,384**	**32,475**	**32,321**
EQUITY				
Capital/Contributed equity	87,93	14,429	36,520	36,520
Accumulated surplus/(Accumulated deficit)		(4,045)	(4,045)	(4,199)
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL ADMINISTERED EQUITY		**10,384**	**32,475**	**32,321**

ADMINISTERED CASH FLOW STATEMENT

Department of Justice and Attorney-General	Notes	2010-11 Adjusted Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Administered item receipts	96,101	222,616	239,179	238,505
Grants and other contributions	102,107	17,792	18,024	49,104
Taxes, fees and fines	97,103,108	230,396	213,590	289,839
Royalties, property income and other territorial revenues		..	..	..
Other	104,109	15,719	15,149	23,578
Outflows:				
Transfers to Government	98,105,110	(244,606)	(227,248)	(311,274)
Grants and subsidies	99,106,111	(180,231)	(191,720)	(221,607)
Supplies and services		(4,715)	(4,862)	(4,906)
Borrowing costs		..	..	..
Other		(56,525)	(61,666)	(62,793)
Net cash provided by/(used in) operating activities		**446**	**446**	**446**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(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/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**446**	**446**	**446**
Administered cash at beginning of financial year		**16,293**	**27,282**	**51,620**
Cash transfers from restructure	100	17,638	23,892	..
Administered cash at end of financial year		**34,377**	**51,620**	**52,066**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major Variance between 2010-11 Adjusted Budget and 2010-11 Estimated actual include:

1. The increase primarily reflects funding for initiatives realigned from 2009-10 to 2010-11, support for an additional Supreme Court judge and supplementation for depreciation.
2. The increase primarily reflects funding for initiatives realigned from 2009-10 to 2010-11 and the operational requirements of the department and support for an additional Supreme Court judge.
3. The variance reflects an increase in the total value of depreciable assets and associated depreciation expense.

Major Variance between 2010-11 Adjusted Budget and 2011-12 Estimate include:

4. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011, supplementation for enterprise bargaining increases and higher property and depreciation costs. These increases are partially offset by the completion of funding for initiatives realigned from 2009-10, a contribution towards the whole-of-Government Efficiency Saving Initiative and the finalisation of the loan for the construction of the Brisbane Magistrates Courts.
5. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011 and changes to the civil court fees structure for Queensland Courts.
6. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011 and the indexation of grant funding received by the department.
7. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011, supplementation for enterprise bargaining increases and the operational requirements of the department. These increases are partially offset by the transfer of responsibility of the State Penalties Enforcement Registry (SPER) call centre services to Smart Service Queensland.
8. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011, the transfer of responsibility of the SPER call centre services to Smart Service Queensland and higher property operating costs. These increases are partially offset by completion of funding for initiatives realigned from 2009-10 and a contribution towards the whole-of-Government Efficiency Saving Initiative.
9. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011.
10. The variance relates to an increase in the total value of depreciable assets and associated depreciation expense.
11. The decrease relates to the finalisation of the loan for the construction of the Brisbane Magistrates Courts.

Major Variance between 2010-11 Estimated actual and 2011-12 Estimate include:

12. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011, supplementation for enterprise bargaining increases and higher property operating and depreciation costs. These increases are partially offset by completion of funding for initiatives realigned from 2009-10, a contribution towards the whole-of-Government Efficiency Saving Initiative and the finalisation of the loan for the construction of the Brisbane Magistrates Courts.
13. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011 and changes to civil court fees structure for Queensland Courts.
14. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011 and indexation of grant funding received by the department.
15. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011 and supplementation for enterprise bargaining increases. These increases are partially offset by the transfer of responsibility of the SPER call centre services to Smart Service Queensland and completion of funding for initiatives realigned from 2009-10.
16. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011, the transfer of responsibility of the SPER call centre services to Smart Service Queensland and higher property operating costs. These increases are partially offset by completion of funding for initiatives realigned from 2009-10 and a contribution towards the whole-of-Government Efficiency Saving Initiative.
17. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011.
18. The decrease relates to the finalisation of the loan for the construction of the Brisbane Magistrates Courts.

Statement of changes in equity

Major Variance between 2010-11 Adjusted Budget and 2010-11 Estimated actual include:

19. The decrease is primarily due to a revised capital funding schedule for construction of the new Supreme and District Courts building.
20. The amount reflects a one-off adjustment related to the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011.

Major Variance between 2010-11 Adjusted Budget and 2011-12 Estimate include:

21. The decrease is primarily due to a revised capital funding schedule for construction of the new Supreme and District Courts building.

Major Variance between 2010-11 Estimated actual and 2011-12 Estimate include:

22. The increase is primarily due to a revised capital funding schedule for construction of the new Supreme and District Courts building.

Balance Sheet

Major Variance between 2010-11 Adjusted Budget and 2010-11 Estimated actual include:
23. The decrease primarily reflects a higher than projected opening balance for receivables.
24. The increase primarily reflects a higher than projected opening balance for trade debtors.
25. The decrease is primarily due to a revised capital funding schedule for construction of the new Supreme and District Courts building.
26. The decrease is primarily due to a lower than projected opening payables balance.
27. The decrease is primarily due to a revised capital funding schedule for construction of the new Supreme and District Courts building.

Major Variance between 2010-11 Adjusted Budget and 2011-12 Estimate include:
28. The decrease primarily reflects a higher than projected opening balance for receivables.
29. The increase primarily reflects a higher than projected opening balance for trade debtors.
30. The increase primarily represents the capital investment for construction of the new Supreme and District Courts building.
31. The decrease is primarily due to a lower than projected opening payables balance.
32. The decrease relates to the finalisation of the loan for the construction of the Brisbane Magistrates Courts.
33. The increase primarily represents the capital investment for construction of the new Supreme and District Courts building.
34. The increase reflects the annual revaluation of property, plant and equipment in accordance with accounting policies.

Major Variance between 2010-11 Estimated actual and 2011-12 Estimate include:
35. The increase primarily represents the capital investment for construction of the new Supreme and District Courts building.
36. The decrease reflects the finalisation of the loan for the construction of the Brisbane Magistrates Courts.
37. The increase primarily represents the capital investment for construction of the new Supreme and District Courts building.
38. The increase reflects the annual revaluation of property, plant and equipment in accordance with accounting policies.

Cash flow statement

Major Variance between 2010-11 Adjusted Budget and 2010-11 Estimated actual include:
39. The increase primarily reflects funding for initiatives realigned from 2009-10 to 2010-11, support for an additional Supreme Court judge and supplementation for depreciation.
40. The increase primarily reflects funding for initiatives realigned from 2009-10 to 2010-11 and the operational requirements of the department and support for an additional Supreme Court judge.
41. The decrease is primarily due to a revised capital funding schedule for construction of the new Supreme and District Courts building.
42. The decrease is primarily due to a revised capital funding schedule for construction of the new Supreme and District Courts building.
43. The increase primarily reflects increased depreciation funding and a revised capital investment plan.
44. The amount reflects the one-off adjustments for the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011.

Major Variance between 2010-11 Adjusted Budget and 2011-12 Estimate include:
45. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011, supplementation for enterprise bargaining increases and higher property and depreciation costs. These increases are partially offset by the completion of funding for initiatives realigned from 2009-10, a contribution towards the whole-of-Government Efficiency Saving Initiative and the finalisation of the loan for the construction of the Brisbane Magistrates Courts.
46. The variance primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011 and changes to the civil court fees structure for Queensland Courts.
47. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011 and indexation of grant funding received by the department.
48. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011, supplementation for enterprise bargaining increases and the operational requirements of the department. These increases are partially offset by the transfer of responsibility of the SPER call centre services to Smart Service Queensland.
49. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011, the transfer of responsibility of the SPER call centre services to Smart Service Queensland and higher property operating costs. These increases are partially offset by completion of funding for initiatives realigned from 2009-10 and a contribution towards the whole-of-Government Efficiency Saving Initiative.
50. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011.
51. The decrease relates to the finalisation of the loan for the construction of the Brisbane Magistrates Courts.
52. The decrease is primarily due to a revised capital funding schedule for construction of the new Supreme and District Courts building.
53. The decrease is primarily due to a revised capital funding schedule for construction of the new Supreme and District Courts building.
54. The increase primarily reflects the increased depreciation funding and a revised capital investment plan.

Major Variance between 2010-11 Estimated actual and 2011-12 Estimate include: :
55. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011, supplementation for enterprise bargaining increases and increased property operating and depreciation costs. These increases are partially offset by completion of funding for initiatives realigned from 2009-10, a contribution towards the whole-of-Government Efficiency Saving Initiative and the finalisation of the loan for the construction of the Brisbane Magistrates Courts.

56. The variance primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011 and changes to the civil court fees for the Queensland Courts.
57. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011 and indexation of grant funding received by the department.
58. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011 and supplementation for enterprise bargaining increases. These increases are partially offset by the transfer of responsibility of the SPER call centre services to Smart Service Queensland and completion of funding for initiatives realigned from 2009-10.
59. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011, the transfer of responsibility of the SPER call centre services to Smart Service Queensland and higher property operating costs. These increases are partially offset by completion of funding for initiatives realigned from 2009-10 and a contribution towards the whole-of-Government Efficiency Saving Initiative.
60. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011.
61. The decrease relates to the finalisation of the loan for the construction of the Brisbane Magistrates Courts.
62. The increase primarily represents the capital investment for construction of the new Supreme and District Courts building.
63. The increase primarily represents the capital investment for construction of the new Supreme and District Courts building.
64. The increase primarily reflects a revised capital investment plan.

Administered income statement

Major Variance between 2010-11 Adjusted Budget and 2010-11 Estimated actual include:
65. The increase primarily reflects the first time recognition of debts associated with offender liability notices issued in respect of the victims of crime compensation scheme payments which are partially offset by lower than anticipated fine lodgements with the State Penalties Enforcement Registry (SPER), construction work notification fees and prosecution pecuniary penalty orders.
66. The increase primarily reflects additional funding for the victims of crime compensation scheme and the annual increase to judicial remuneration and allowances.
67. The increase primarily reflects claim funding associated with the victims of crime compensation scheme.
68. The increase primarily reflects the first time recognition of debts associated with offender liability notices issued in respect of the victims of crime compensation scheme and the annual increase to judicial remuneration and allowances.
69. The decrease primarily reflects lower than anticipated fine lodgements with SPER, construction work notification fees and prosecution pecuniary penalty orders.

Major Variance between 2010-11 Adjusted Budget and 2011-12 Estimate include:
70. The increase is primarily due to the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011 and the first time recognition of debts associated with offender liability notices issued in respect of the victims of crime compensation scheme.
71. The increase primarily reflects increased funding for associated entities and the annual increase to judicial remuneration and allowances.
72. The increase is primarily due to the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011.
73. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011 and increased funding for associated entities.
74. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011, first time recognition of debts associated with offender liability notices issued in respect of the victims of crime compensation scheme and the annual increase to judicial remuneration and allowances.
75. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011.

Major Variance between 2010-11 Estimated actual and 2011-12 Estimate include:
76. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011 and increased construction work notification fees and increased fine lodgements with SPER.
77. The increase is primarily due to the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011.
78. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011 and increased funding for associated entities.
79. The decrease primarily reflects the one off nature of funding provided in 2010-11 for the completion of claims under the victims of crime compensation scheme.
80. The variance primarily reflects the reduced level of debt recognition for offender liability notices issued in respect of the victims of crime compensation scheme.
81. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011 and increased construction work notification fees and increased fine lodgements with SPER.

Administered balance sheet

Major Variance between 2010-11 Adjusted Budget and 2010-11 Estimated actual include:
82. The increase primarily reflects a higher than projected opening cash balance.
83. The increase primarily reflects higher than projected debtors associated with SPER lodgements and increased operational debtors.
84. The decrease primarily reflects lower prepaid transfers of administered revenue to government than estimated.

85. The increase primarily reflects a timing difference between cash collections and transfers to government.
86. The increase primarily reflects a higher than projected opening balance brought forward for the recognition of compensation claims for the victims of crime compensation scheme.
87. The increase primarily reflects a higher than projected surplus transferred with the Liquor, Gaming and Fair Trading function to the department on 21 February 2011.

Major Variance between 2010-11 Adjusted Budget and 2011-12 Estimate include:
88. The increase primarily reflects a higher than projected opening cash balance.
89. The increase primarily reflects higher than projected debtors associated with SPER lodgements and increased operational debtors.
90. The decrease primarily reflects lower prepaid transfers of administered revenue to government.
91. The increase primarily reflects a timing difference between cash collections and transfers to government.
92. The increase primarily reflects a higher than projected opening balance brought forward for the recognition of compensation claims for the victims of crime compensation scheme.
93. The increase primarily reflects a higher than projected surplus transferred with the Liquor, Gaming and Fair Trading function to the department on 21 February 2011.

Major Variance between 2010-11 Estimated actual and 2011-12 Estimate include:
94. The increase primarily reflects increased debtors associated with SPER lodgements.
95. The increase primarily reflects a timing difference between cash collections and transfers to government.

Administered cash flow statement

Major Variance between 2010-11 Adjusted Budget and 2010-11 Estimated actual include:
96. The increase primarily reflects additional funding for the victims of crime compensation scheme and the annual increase to judicial remuneration and allowances.
97. The decrease reflects the lower than anticipated collections of SPER fines, construction work notification fees and prosecution pecuniary penalty orders.
98. The decrease reflects the lower than anticipated collections for taxes, fees and fines.
99. The increase primarily reflects claim funding associated with the victims of crime compensation scheme.
100. The increase reflects one-off adjustment for the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011.

Major Variance between 2010-11 Adjusted Budget and 2011-12 Estimate include:
101. The increase primarily reflects increased funding for associated entities and the annual increase to judicial remuneration and allowances.
102. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011.
103. The variance is primarily due to the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011 partially offset by a higher level of receivables.
104. The increase is primarily due to the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011.
105. The variance is primarily due to the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011.
106. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011 and increased funding for associated entities.

Major Variance between 2010-11 Estimated actual and 2011-12 Estimate include:
107. The increase is primarily due to the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011.
108. The variance is primarily due to the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011 partially offset by a higher level of receivables.
109. The variance is primarily due to the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011.
110. The variance is primarily due to the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011 partially offset by a higher level of receivables.
111. The increase primarily reflects the full year impact of the machinery-of-Government transfer of the Liquor, Gaming and Fair Trading function to the department on 21 February 2011 and the additional funding for associated entities. These increases are partially offset by the one-off nature of additional funding provided for the completion of claims under the victims of crime compensation scheme.

Statutory Bodies

Anti-Discrimination Commission Queensland

OVERVIEW

The Anti-Discrimination Commission Queensland (ADCQ) is an independent statutory body created by the Queensland *Anti-Discrimination Act 1991* (the Act). The ADCQ contributes to the Government's *Toward Q2: Tomorrow's Queensland* ambition of Fair - *Supporting safe and caring communities* by:

- resolving complaints under the Act
- providing information to the community about its rights and responsibilities
- promoting understanding, acceptance and public discussion of human rights in Queensland.

ADCQ's strategic direction is focused on its vision of a society reflecting individual and cultural diversity with equality of opportunity for everyone.

REVIEW OF PERFORMANCE

Recent achievements

The ADCQ performed strongly throughout the 2010-11 financial year meeting or exceeding the majority of performance targets across core service delivery areas. Highlights include:

- development of new educational courses and delivery of training to almost 6,000 people
- enhanced community engagement with 400 visits to community groups
- finalisation of fitout improvements at the Brisbane office
- minimal disruption to services during the recent natural disasters in Queensland.

Future developments

- Promoting human rights and raising ADCQ's profile by running events to celebrate the 20th anniversary of the passing of the Act.
- Re-invigoration of community engagement with a focus on supporting the development of diverse and inclusive communities.
- Co-hosting the Mabo Oration.
- Creation of a new website and intranet to increase reach into the community and position the commission for the delivery of services using web based technology and social media
- Improving conciliation and training skills through investment in the professional development of staff.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
	1	36.1	34.2	34.2

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

PERFORMANCE STATEMENT

Service standards	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Percentage of accepted complaints resolved by conciliation		55%	55%	55%
Percentage of clients satisfied with complaint handling service measured via client survey		85%	85%	85%
Percentage of clients satisfied with training sessions measured via client survey		90%	90%	90%
Percentage of accepted complaints referred to the Tribunal	1	15%	29%	25%
Other measures				
Percentage of complaints where the time from receipt to assessment notification is:				
• within 28 days		55%	58%	60%
• over 28 days		45%	42%	40%
Percentage of complaints where time from acceptance notice to conciliation conference is:				
• within 42 days		70%	70%	70%
• over 42 days		30%	30%	30%
Percentage of complaints where time from acceptance notice to complaint being closed is:				
• within three months		60%	65%	60%
• within six months		20%	22%	20%
• within nine months		10%	9%	10%
• within 12 months		5%	3%	5%
• over 12 months		5%	1%	5%
State contribution ($000)		**4,721**	**4,721**	**4,945**
Other revenue ($000)	2	**235**	**267**	**275**
Total cost ($000)		**4,956**	**4,988**	**5,220**

Notes:
1. Referrals are expected to increase as a proportion of the total number of finalised complaints as fewer complaints are withdrawn or lapse. This means a higher number of complaints are resolved by either conciliation or referral. The decision to conciliate, refer, lapse or withdraw a complaint rests with the complainant and has little bearing on the performance of the commission.
2. A targeted marketing program and the development of new training packages has increased demand for training.

INCOME STATEMENT

Anti-Discrimination Commission Queensland	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue		..	..	..
User charges	1,2	166	188	194
Grants and other contributions		4,721	4,721	4,945
Other revenue		69	79	81
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**4,956**	**4,988**	**5,220**
Expenses				
Employee expenses		3,346	3,351	3,521
Supplies and services		1,397	1,379	1,424
Grants and subsidies		..	10	10
Depreciation and amortisation		195	224	241
Finance/borrowing costs		..	..	..
Other expenses		18	24	24
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**4,956**	**4,988**	**5,220**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

STATEMENT OF CHANGES IN EQUITY

Anti-Discrimination Commission Queensland	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		..	..	..
Total recognised income and expense for the period		**..**	**..**	**..**
Equity injection/(withdrawal)	3,4	..	..	(70)
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**..**	**..**	**(70)**

BALANCE SHEET

Anti-Discrimination Commission Queensland	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	5,8	945	872	823
Receivables	6,7	154	92	92
Other financial assets		..	..	..
Inventories		57	50	50
Other		23	26	26
Non-financial assets held for sale		..	..	..
Total current assets		**1,179**	**1,040**	**991**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	5	1,302	1,401	1,234
Intangibles	8,10	265	274	330
Other		..	..	..
Total non-current assets		**1,567**	**1,675**	**1,564**
TOTAL ASSETS		**2,746**	**2,715**	**2,555**
CURRENT LIABILITIES				
Payables	6,7	187	119	119
Accrued employee benefits		246	264	264
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		106	96	96
Total current liabilities		**539**	**479**	**479**
NON-CURRENT LIABILITIES				
Payables		609	609	519
Accrued employee benefits		64	81	81
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**673**	**690**	**600**
TOTAL LIABILITIES		**1,212**	**1,169**	**1,079**
NET ASSETS/(LIABILITIES)		**1,534**	**1,546**	**1,476**
EQUITY				
Capital/contributed equity	9,11	408	408	338
Retained surplus/(accumulated deficit)		1,126	1,138	1,138
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**1,534**	**1,546**	**1,476**

CASH FLOW STATEMENT

Anti-Discrimination Commission Queensland	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts		..	..	..
User charges	12,16	166	188	194
Grants and other contributions		4,721	4,721	4,945
Other		69	79	81
Outflows:				
Employee costs		(3,346)	(3,351)	(3,521)
Supplies and services		(1,397)	(1,379)	(1,424)
Grants and subsidies		..	(10)	(10)
Borrowing costs		..	..	..
Other		(108)	(114)	(114)
Net cash provided by/(used in) operating activities		**105**	**134**	**151**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	13,14	(30)	(180)	(130)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(30)**	**(180)**	**(130)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	15,17	..	..	(70)
Net cash provided by/(used in) financing activities		**..**	**..**	**(70)**
Net increase/(decrease) in cash held		**75**	**(46)**	**(49)**
Cash at the beginning of financial year		**870**	**918**	**872**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**945**	**872**	**823**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
1. A targeted marketing program and the development of new training packages has increased demand for training.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
2. A targeted marketing program and the development of new training packages has increased demand for training.

Statement of changes in equity

Major variations between 2010-11 Budget and 2011-12 Estimate include:
3. An equity withdrawal, with matching increase in revenue, has been approved to provide additional funding of $0.05 million for enhanced community engagement and $0.02 million for the Mabo Oration.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
4. An equity withdrawal, with matching increase in revenue, has been approved to provide additional funding of $0.05 million for enhanced community engagement and $0.02 million for the Mabo Oration.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
5. Cash has been used to fund additional fitout at the Brisbane office.
6. Decrease primarily reflects a lower than projected opening balance brought forward from 2009-10.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
7. Decrease primarily reflects a lower than projected opening balance brought forward from 2009-10.
8. Cash will be used to fund the creation of a new website and intranet.
9. An equity withdrawal, with matching increase in revenue, has been approved to provide additional funding of $0.05 million for enhanced community engagement and $0.02 million for the Mabo Oration.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
10. Cash will be used to fund the creation of a new website and intranet.
11. An equity withdrawal, with matching increase in revenue, has been approved to provide additional funding of $0.05 million for enhanced community engagement and $0.02 million for the Mabo Oration.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
12. A targeted marketing program and the development of new training packages has increased demand for training.
13. Cash has been used to fund additional fitout at the Brisbane office.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
14. Cash will be used to fund the creation of a new website and intranet.
15. An equity withdrawal, with matching increase in revenue, has been approved to provide additional funding of $0.05 million for enhanced community engagement and $0.02 million for the Mabo Oration.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
16. A targeted marketing program and the development of new training packages has increased demand for training.
17. An equity withdrawal, with matching increase in revenue, has been approved to provide additional funding of $0.05 million for enhanced community engagement and $0.02 million for the Mabo Oration.

Crime and Misconduct Commission

OVERVIEW

The Crime and Misconduct Commission (CMC) is an independent specialist agency established under the *Crime and Misconduct Act 2001* which strives to protect Queenslanders from major crime and enhance public sector integrity.

The CMC's three main areas of activity of fighting major crime, reducing misconduct and improving public sector integrity, and providing the state's witness protection service are supported by its research, prevention, intelligence and operational support functions. The CMC is also the integrity oversight body for the Queensland Police Service. By engaging in these activities the CMC contributes to the Queensland Government's *Toward Q2: Tomorrow's Queensland* ambition of Fair - *Supporting safe and caring communities*.

A recent review of the CMC's governance framework has resulted in internal structural changes and some service delivery functions being reviewed as part of the CMC's ongoing commitment to embedding continuous improvement into its organisational culture.

REVIEW OF PERFORMANCE

Recent achievements

During 2010-11 the CMC:

- restrained assets to the value of $12.8 million and forfeited $8.2 million to the State
- held 101 days of hearings for crime and misconduct investigations across Queensland
- published *Setting the standard: a review of current processes for the management of police discipline and misconduct matters* which included legislative, policy and procedural change recommendations
- engaged a further nine core agencies in the building integrity program and developed innovative methodologies to assess the integrity frameworks of public sector agencies
- released a public report on an investigation into alleged misuse of public monies, and the role of a former ministerial adviser, which resulted in a series of government reforms
- investigated and explored responses to serious police misconduct which included public hearings and the preparation of a public report relating to Operation Tesco
- maintained a 100% success rate in protecting witnesses
- reviewed legislation and policy relating to prostitution, offence of evade police, use of tasers by police and police move on powers, culminating in the release of public reports
- published intelligence-related material including the inaugural *Commodities and Prices Guide 2010* and a digest, *Ecstasy and amphetamine: young people and social networks*.

Future developments

During 2011-12 the CMC will:

- continue to work with public sector agencies to establish, implement and maintain improved integrity systems within agencies
- continue to develop new initiatives to better engage with stakeholders, including the use of improved online communication channels.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
	2	328	306	320

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. A number of concurrent organisational reviews has resulted in some vacancies not being filled. Additional officers are to be employed to perform the CMC's telecommunications interception function and other high-priority initiatives in 2011-12.

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Crime Fighting and Prevention - Service standards				
Percentage of tactical operations resulting in charges, restraints or seizures		95%	96%	95%
Net value of criminal proceeds restrained ($'000)		15,000	15,000	18,000
Net value of assets forfeited ($'000)	1	5,000	10,000	6,000
Cost per $1 million restrained	2	New measure	New measure	$80,000
Cost per $1 million forfeited	2	New measure	New measure	$275,000
Percentage of coercive hearings which add value to major crime investigations	3	New measure	New measure	95%
Other measures				
Number of tactical operations undertaken		25	25	25
Number of research and intelligence projects undertaken		15	15	15
Number of Criminal Proceeds Restraining Orders obtained	4	60	45	75
Number of civil confiscation matters finalised	1	30	50	40
State contribution ($000)		**15,764**	**15,863**	**16,365**
Other revenue ($000)		**189**	**230**	**242**
Total cost ($000)		**15,953**	**16,176**	**16,607**

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service - Area: Public Sector Integrity - Service standards				
Percentage of agencies rated as managing their integrity systems to a satisfactory or better standard		New measure	New measure	70%
Percentage of recommendations to agencies accepted	5	90%	87%	85%
Median days to finalise a review matter	6	Amended measure	Amended measure	25
Percentage of investigations of police-related fatalities where Coroner has been satisfied with CMC's response		New measure	New measure	100%
Other measures				
Percentage of significant agency-managed complaints matters reviewed		15%	15%	15%
Number of research, intelligence, capacity building, prevention and monitoring projects undertaken		26	26	26
Number of serious matters retained for CMC investigation:	7	Amended measure	65	
(a) Queensland Police Service matters				30
(b) other agency matters				20
Percentage of investigated matters finalised within 12 months	8	80%	60%	80%
State contribution ($000)		**26,553**	**26,718**	**27,564**
Other revenue ($000)		**318**	**387**	**407**
Total cost ($000)		**26,871**	**27,245**	**27,971**
Service Area: Witness Protection - Service standards				
Percentage of protected persons whose safety is maintained		100%	100%	100%
Other measures				
Number of persons admitted to witness protection program	10	70	55	70
Applications for witness protection assessed (persons)	11	100	110	100
Percentage of eligible persons offered interim witness protection within two days		95%	95%	95%
State contribution ($000)		**5,672**	**5,708**	**5,888**
Other revenue ($000)		**68**	**83**	**87**
Total cost ($000)		**5,740**	**5,820**	**5,975**

Notes:

1. The increase in the estimated actual for 2010-11 reflects the continued focus on bringing matters to an earlier conclusion. The 2011-12 target has been adjusted accordingly.
2. Cost' refers to the direct costs associated with the CMC's Proceeds of Crime team.
3. Add value' will be determined by CMC's self assessment and consultation with partner agencies.
4. The CMC's focus on finalising civil confiscation matters and the impact of the recent Queensland floods have adversely impacted on the 2010-11 target. Current staff levels have prevented the 2010-11 target being achieved. An increased target for 2011-12 reflects historical trends and an anticipated return to normal staffing levels.
5. In 2010-11, the CMC measured this service standard by assessing the percentage of recommendations to agencies not accepted (with an estimated target of 10 percent). Although the CMC has reversed the wording of this service standard in 2011-12 to enable a more positive connotation, an assessment of the service standard over the past year has led to the target being amended to 85% for 2011-12. This reflects that the number of recommendations can be small and fluctuate markedly between quarters. Furthermore, agencies may have a wide range of legitimate reasons for not accepting a recommendation. For example, a policy announcement or direction may be announced subsequent to the CMC's recommendation that may impact on the agency's decision as to the action to be taken on the recommendation and the timing of that action.
6. This measure of efficiency replaces the 2010-11 service standard that measured the percentage of reviewed matters finalised within four weeks.
7. An increase in the number of serious complaints retained for investigation is proportional to an increase in the number of complaints received by the CMC for 2010-11. Commencing in 2011-12, the CMC will record separately the matters retained relating to the Queensland Police Service or other public sector agencies.
8. Due to the complex nature of current investigations, 2010-11 Est. actual figures reflect protracted timelines for finalisation of projects.
9. A suitable measure of efficiency is currently being investigated.
10. Applications for witness protection are voluntary and admission is dependant on requests made by law enforcement agencies, principally the Queensland Police Service, and the suitability of the applicant to the program.
11. The number of applications received is entirely dependant upon requests made by law enforcement agencies. In 2010-11, an increased number of applications were received from large families with multiple family members seeking protection.

INCOME STATEMENT

Crime and Misconduct Commission	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue		..	..	..
User charges		..	..	..
Grants and other contributions	1,5,9	47,989	48,288	49,817
Other revenue	2,6	550	680	716
Gains on sale/revaluation of property, plant and equipment and investments		25	20	20
Total income		**48,564**	**48,988**	**50,553**
Expenses				
Employee expenses	3,7,10	34,484	35,071	36,795
Supplies and services	8,11	12,117	12,036	11,477
Grants and subsidies		..	..	..
Depreciation and amortisation	12	1,885	2,023	2,175
Finance/borrowing costs		..	..	..
Other expenses		65	98	83
Losses on sale/revaluation of property, plant and equipment and investments		13	13	23
Total expenses		**48,564**	**49,241**	**50,553**
OPERATING SURPLUS/(DEFICIT)	4	**..**	**(253)**	**..**

STATEMENT OF CHANGES IN EQUITY

Crime and Misconduct Commission	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		..	(253)	..
Total recognised income and expense for the period		**..**	**(253)**	**..**
Equity injection/(withdrawal)		..	..	(1,504)
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period	4, 21	**..**	**(253)**	**(1,504)**

BALANCE SHEET

Crime and Misconduct Commission	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	13,18,22	6,676	7,165	5,730
Receivables		391	539	539
Other financial assets		..	..	..
Inventories		..	..	..
Other		643	549	559
Non-financial assets held for sale		..	..	..
Total current assets		**7,710**	**8,253**	**6,828**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	23	14,851	14,445	13,978
Intangibles	14	..	504	735
Other		..	..	..
Total non-current assets		**14,851**	**14,949**	**14,713**
TOTAL ASSETS		**22,561**	**23,202**	**21,541**
CURRENT LIABILITIES				
Payables	15,19	1,050	1,900	2,050
Accrued employee benefits	16	2,203	1,913	1,913
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		300	312	312
Total current liabilities		**3,553**	**4,125**	**4,275**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		362	511	511
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	17,20,24	2,697	2,740	2,433
Total non-current liabilities		**3,059**	**3,251**	**2,944**
TOTAL LIABILITIES		**6,612**	**7,376**	**7,219**
NET ASSETS/(LIABILITIES)		**15,949**	**15,826**	**14,322**
EQUITY				
Capital/contributed equity	21	13,943	13,943	12,439
Accumulated surplus/(accumulated deficit)		2,006	1,883	1,883
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**15,949**	**15,826**	**14,322**

CASH FLOW STATEMENT

Crime and Misconduct Commission	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts		..	..	..
User charges		..	..	..
Grants and other contributions	25,29	47,989	48,288	49,817
Other	26	2,074	2,613	2,632
Outflows:				
Employee costs	27,32	(34,444)	(34,671)	(36,795)
Supplies and services	30	(13,912)	(13,900)	(13,253)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(365)	(349)	(390)
Net cash provided by/(used in) operating activities		**1,342**	**1,981**	**2,011**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		107	107	97
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	28,31,33	(1,628)	(2,468)	(2,039)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(1,521)**	**(2,361)**	**(1,942)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	(1,504)
Net cash provided by/(used in) financing activities		**..**	**..**	**(1,504)**
Net increase/(decrease) in cash held		**(179)**	**(380)**	**(1,435)**
Cash at the beginning of financial year		**6,855**	**7,545**	**7,165**
Cash transfers from restructure		**..**	**..**	**..**
Cash at the end of financial year	34	**6,676**	**7,165**	**5,730**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
1. Additional funding received for the personnel costs and police award increases.
2. The increase in other revenue is mainly due to more efficient cash management processes.
3. The increase is mainly due to personnel costs and police award increases and additional allocations for staff training.
4. The operating deficit is mainly the result of a temporary funding allocation to trial a Crime Evidentiary team.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
5. The increase in grant funds is due to personnel costs and police award increases and a $1.5 million equity withdrawal from the CMC's cash reserves to fund high priority temporary initiatives in the 2011-12 financial year.
6. Increase is due to anticipated rising interest rates and more efficient cash management processes.
7. The increase is mainly due to high priority temporary projects approved by the Commission in 2011-12. This includes enhancing the CMC's internal and external communications, evaluating the progress of the Building Integrity Program, and enhancing the capacity of the Proceeds of Crime team.
8. The decrease is mainly due to the four yearly cyclical computer replacement program scheduled to occur in the 2010-11 financial year.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
9. The increase is mainly due to a $1.5 million equity withdrawal from the CMC's cash reserves to fund high priority temporary projects in the 2011-12 financial year.
10. The increase is mainly due to high priority temporary projects approved by the Commission. This includes enhancing the CMC's internal and external communications, evaluating the progress of the Building Integrity Program, and enhancing the capacity of the Proceeds of Crime team.
11. The decrease is mainly due to the four yearly cyclical computer replacement program scheduled to occur in the 2010-11 financial year.
12. The increase is due to additional depreciation and amortisation costs as a result of an increase in leasehold improvements and costs associated with redevelopment of the CMC's website and intranet.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
13. The increase in cash is mainly due to the timing of creditor payments and the build-up of cash reserves as a result of the 2009-10 operating surplus.
14. The increase is due to the capitalisation of TRIM Electronic Document Records Management System (eDRMS) which was rolled out to the CMC during July and August 2010.
15. The increase in payables is primarily the result of improved cash management and payment processes and the timing of creditor payments.
16. The decrease is mainly due to payouts of leave entitlements to terminated staff that had excessive leave balances.
17. The increase is due to obtaining a lease incentive liability for the CMC's off-site premises.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
18. The decrease is mainly due to the funding of one-off temporary projects in 2011-12 from cash reserves through an equity withdrawal.
19. The increase in payables is primarily the result of improved cash management and payment processes and the timing of creditor payments.
20. Pursuant to AAS17, the non-current lease incentive liability will reduce equally over the term of the lease.
21. The decrease relates to the $1.5 million equity withdrawal which will be used to fund high priority one-off temporary projects in 2011-12.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
22. The decrease in cash is primarily due to the utilising of cash reserves to fund one-off temporary projects in 2011-12.
23. The decrease is due to higher depreciation write-offs compared to asset additions in the 2011-12 financial year.
24. Pursuant to AAS17, the non-current lease incentive liability will reduce equally over the term of the lease.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
25. Additional funding allocation received for personnel costs and police award increases.
26. The increase is primarily due to movement in GST receivable between 2009-10 and 2010-11.
27. The increase is due to personnel costs and police award increases.
28. The increase is mainly due to payments associated with the relocation of the offsite premises and the TRIM (eDRMS) project.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
29. The increase in funding in 2011-12 is due to personnel costs and police award increases.
30. Decrease in supplies and services is mainly due to a one-off cash payment in 2010-11 for the four yearly cyclical computer replacement program.
31. Increase is mainly due to one-off capital acquisitions approved in the 2011-12 year to re-develop the CMC's website and intranet and upgrade the CMC's remote access capabilities.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
32. Increase is mainly due to award increases and the salary costs associated with funding one-off high priority initiatives.
33. The decrease is due to payments in 2010-11 for the relocation of the CMC's off-site premises.
34. The decrease is the result of utilising cash reserves to fund one-off high priority initiatives.

Legal Aid Queensland

OVERVIEW

Legal Aid Queensland (LAQ) is an independent statutory body under the *Legal Aid Queensland Act 1997,* which provides legal help to financially disadvantaged Queenslanders. LAQ provides a range of free preventative and early intervention services, such as community legal education, information and advice, and duty lawyer services in criminal, civil and family law matters. For people who are eligible for a grant of aid, LAQ also provides dispute resolution services and representation in courts and tribunals. LAQ services contribute to the efficient operation of the justice system in Queensland.

As at 30 June 2011, LAQ's estimated actual full-time equivalent positions is 434. These staff deliver services from 14 LAQ offices throughout Queensland. Services are also provided by nearly 400 private law firms who take on legal aid cases. LAQ also administers State funding to 41 community legal centres.

REVIEW OF PERFORMANCE

Recent achievements

During 2010-11 LAQ:

- provided free preventative and early intervention services on over 190,085 occasions
- guided adults through 60,045 appearances in the Magistrates Courts and children through 8,081 Childrens Court appearances
- approved aid for lawyers to represent 15,987 people charged with criminal offences, including 828 Supreme Court matters, and 96 appeals to the Court of Appeal and the High Court of Australia
- supported the effective administration of the child protection system by providing separate representation for children in 496 child protection proceedings, and representing 1,397 parents and carers in child protection matters
- funded 1,435 matters to help people involved in domestic violence proceedings
- in partnership with other Queensland legal organisations, set up Flood and Cyclone Legal Help earlier this year in response to the natural disasters experienced across the State. LAQ's response included providing free legal advice through the LAQ call centre, developing a special website with legal information resources, arranging for lawyers to attend recovery centres, convening community meetings in flood affected areas, and assisting people to challenge adverse insurance decisions
- assisted the implementation of the Moynihan reforms by revising its grants of aid for criminal law matters and training practitioners about the impact of reforms on legal practice
- established a new Queensland Legal Assistance Forum website, a "one-stop-shop" for information about legal services and legal information resources available from member organisations including LAQ and community legal centres
- made significant steps in its business improvement program, including completing a business analysis of LAQ's grant of aid system as a platform for implementing improvements in 2010 -11, and commenced implementation of an electronic document record management system
- continued to play a key role in whole-of-government programs such as Breaking the Cycle Domestic Violence Court Pilot in Rockhampton, and the Drug Court

- commenced implementation of the National Partnership Agreement on Legal Assistance Services.

Future developments

During 2011-12 LAQ expects to:

- continue with implementation of an electronic document and records management system (eDRMS)
- commence a grants management system modernisation project to enhance business processes and improve data integrity
- implement a legal advice renewal project to provide assistance services to people who experience, or are at risk of, social exclusion
- continue to implement the National Partnership Agreement on Legal Assistance Service through increased investment in preventative and early intervention legal services, initiating innovative service delivery pilots and implementing a new legal education strategy.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
		440.2	434	447.2

Note:
1. Full-time equivalents (FTEs) as at 30 June. The 2011-12 increase in FTEs reflects resources to implement business system improvements.

PERFORMANCE STATEMENT

Service standards	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Percentage of decisions to refuse funding that are referred for external review		8%	10%	8%
Percentage of refusals that go to external review that are overturned on review		6%	4%	6%
Average cost of State services provided – legal representation	1	Amended measure	$2,125	$2,400
Average cost of State services provided – legal advice	2	$55	$74	$80
Average cost of State services provided – duty lawyer	3	$55	$61	$80
Percentage of duty lawyer matters resolved without further court proceedings	4	New measure	54%	50%
State contribution ($000)		**39,617**	**37,815**	**44,780**
Other revenue ($000)		**83,231**	**74,346**	**68,316**
Total cost ($000)		**122,003**	**106,196**	**111,300**

Notes:
1. In 2010-11, the target/estimate measured the cost of State crime cases only at $1,750 per criminal matter. In 2011-12 the target/estimate has been expanded to include the cost of both State crime and State civil matters. Unit cost of criminal law matters has increased due to Moynihan jurisdictional reforms and changes to grants criteria.
2. Unit cost of legal advice had not been reviewed for a number of years. Minor increase in costs are expected.
3. Unit cost of duty lawyer had not been reviewed for a number of years. Increase in costs are expected.
4. New measure to reflect early resolution of legal matters where the client pleads guilty when represented by a duty lawyer, thereby avoiding further court proceedings.

INCOME STATEMENT

Legal Aid Queensland	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue		..	..	..
User charges		2,531	2,973	2,907
Grants and other contributions	1,7	118,992	107,923	108,604
Other revenue		1,325	1,265	1,585
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**122,848**	**112,161**	**113,096**
Expenses				
Employee expenses	2,8,12	38,263	36,763	40,391
Supplies and services	3,9	8,623	10,147	10,584
Grants and subsidies	4,10	12,440	11	119
Depreciation and amortisation		1,535	1,535	1,801
Finance/borrowing costs		..	..	..
Other expenses	5,11	60,842	57,440	58,055
Losses on sale/revaluation of property, plant and equipment and investments		300	300	350
Total expenses		**122,003**	**106,196**	**111,300**
OPERATING SURPLUS/(DEFICIT)	6,13	**845**	**5,965**	**1,796**

STATEMENT OF CHANGES IN EQUITY

Legal Aid Queensland	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		845	5,965	1,796
Total recognised income and expense for the period		**845**	**5,965**	**1,796**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**845**	**5,965**	**1,796**

BALANCE SHEET

Legal Aid Queensland	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	14,20,26	16,542	25,143	22,680
Receivables		1,331	1,228	1,428
Other financial assets		..	..	..
Inventories		..	..	..
Other		862	669	494
Non-financial assets held for sale		..	..	..
Total current assets		**18,735**	**27,040**	**24,602**
NON-CURRENT ASSETS				
Receivables		722	711	711
Other financial assets		..	..	..
Property, plant and equipment	27	21,065	20,219	21,713
Intangibles	15,21,28	1,358	679	3,419
Other		..	..	..
Total non-current assets		**23,145**	**21,609**	**25,843**
TOTAL ASSETS		**41,880**	**48,649**	**50,445**
CURRENT LIABILITIES				
Payables	16,22	4,542	3,078	2,978
Accrued employee benefits		2,711	2,748	2,848
Interest-bearing liabilities and derivatives		..	..	..
Provisions	17,23	30,050	15,229	15,229
Other		..	..	..
Total current liabilities		**37,303**	**21,055**	**21,055**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		760	855	855
Interest-bearing liabilities and derivatives		..	..	..
Provisions	18,24	..	4,217	4,217
Other		..	..	..
Total non-current liabilities		**760**	**5,072**	**5,072**
TOTAL LIABILITIES		**38,063**	**26,127**	**26,127**
NET ASSETS/(LIABILITIES)		**3,817**	**22,522**	**24,318**
EQUITY				
Capital/contributed equity		..	..	..
Accumulated surplus/(accumulated deficit)	19,25,29	(6,483)	12,222	14,018
Reserves:				
- Asset revaluation surplus		10,300	10,300	10,300
- Other (specify)		..	..	..
TOTAL EQUITY		**3,817**	**22,522**	**24,318**

CASH FLOW STATEMENT

Legal Aid Queensland	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts		..	..	..
User charges		2,331	2,773	2,457
Grants and other contributions	30,35	118,992	107,923	108,604
Other		5,401	5,341	5,661
Outflows:				
Employee costs	31,36,40	(38,163)	(36,663)	(40,116)
Supplies and services	32,37	(12,580)	(14,104)	(14,725)
Grants and subsidies	33,38	(12,440)	(11)	(119)
Borrowing costs		..	..	..
Other		(60,877)	(59,475)	(58,090)
Net cash provided by/(used in) operating activities		**2,664**	**5,784**	**3,672**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		(100)	(100)	(100)
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	34,39,41	(1,935)	(1,089)	(6,035)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(2,035)**	**(1,189)**	**(6,135)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**629**	**4,595**	**(2,463)**
Cash at the beginning of financial year		**15,913**	**20,548**	**25,143**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**16,542**	**25,143**	**22,680**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. Decrease in grants and other contributions due to a change in the accounting treatment of Community Legal Centre's grants being excluded as the funds are not controlled by Legal Aid Queensland.
2. Decrease in employee expenses primarily due to savings achieved through managing vacancies.
3. Increase in supplies and services due to additional leasing accommodation costs, the operational component of electronic document management system and the reclassification of contractor costs previously recorded as employee expenses.
4. Decrease in grants and subsidies due to a change in the accounting treatment of Community Legal Centre's grants being excluded as the funds are not controlled by Legal Aid Queensland.
5. Decrease in other expenses due to the implementation of cost reduction strategies and improvement of administration processing.
6. Increase in operating surplus due to capital component of electronic document management system and implementation of cost reduction strategies.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

7. Decrease in grants and other contributions due to a change in the accounting treatment of Community Legal Centre's grants being excluded as the funds are not controlled by Legal Aid Queensland.
8. Increase in employee expenses due to enterprise bargaining increases and additional temporary staffing costs to assist with National Partnership Agreement (NPA) initiatives and projects to implement organisational change.
9. Increase in supplies and services due additional leasing accommodation costs and operational components of large capital projects planned for 2011-12.
10. Decrease in grants and subsidies due to a change in the accounting treatment of Community Legal Centre's grants being excluded as the funds are not controlled by Legal Aid Queensland.
11. Decrease in other expenses due to the implementation of cost reduction strategies and improvement of administration processing.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

12. Increase in employee expenses due to enterprise bargaining increases and additional temporary staffing costs to assist with National Partnership Agreement (NPA) initiatives and projects to implement organisational change.
13. Decrease in operating surplus primarily due to vacant positions contributing to the 2010-11 surplus being filled in 2011-12 and additional temporary staffing costs associated with planned projects for 2011-12.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

14. Increase in cash assets due to increase in operating surplus in 2010-11 as a result of implementation of cost reduction strategies and improvement of administration processing.
15. Decrease in intangibles due to project costs associated with the electronic document management system being expensed which were initially planned to be capitalised.
16. Decrease in payables due to the implementation of cost reduction strategies and improvement of administration processing.
17. Decrease in provisions as a result of review of provision calculation methodology as well as a change to accounting treatment to allow for current and non-current provision liabilities.
18. Increase in provisions due to a change to accounting treatment to allow for current and non-current provision liabilities.
19. Increase in equity as a result of provision adjustment and 2010-11 surplus.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

20. Increase in cash assets due to increase in operating surplus in 2010-11 as a result of implementation of cost reduction strategies and improvement of administration processing.
21. Increase in intangibles due to corporate and operational capital software projects.
22. Decrease in payables due to the implementation of cost reduction strategies and improvement of administration processing.
23. Decrease in provisions as a result of review of provision calculation methodology as well as a change to accounting treatment to allow for current and non-current provision liabilities.
24. Increase in provisions due to a change to accounting treatment to allow for current and non-current provision liabilities.
25. Increase in equity as a result of provision adjustment and 2010-11 surplus.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

26. Decrease in cash assets due to large capital projects for 2011-12.
27. Increase in property plant and equipment due to planned capital projects for 2011-12.
28. Increase in intangibles due to corporate and operational capital software projects.
29. Increase in equity due to capital component of electronic document management system.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

30. Decrease in grants and other contributions due to a change in the accounting treatment of Community Legal Centre's grants being excluded as the funds are not controlled by Legal Aid Queensland.
31. Decrease in employee costs due to savings achieved through managing vacancies.
32. Increase in supplies and services due to additional leasing accommodation costs, the operational component of electronic document management system and the reclassification of contractor costs previously recorded as employee expenses.

33. Decrease in grants and subsidies due to a change in the accounting treatment of Community Legal Centre's grants being excluded as the funds are not controlled by Legal Aid Queensland.
34. Decrease in payments for property plant, equipment and intangibles due to deferral of planned capital expenditure.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
35. Decrease in grants and other contributions due to a change in the accounting treatment of Community Legal Centre's grants being excluded as the funds are not controlled by Legal Aid Queensland.
36. Increase in employee costs due to enterprise bargaining increases and additional temporary staffing costs to assist with National Partnership Agreement (NPA) initiatives and projects to implement organisational change.
37. Increase in supplies and services due to operational component of large capital projects planned for 2011-12.
38. Decrease in grants and subsidies due to a change in the accounting treatment of Community Legal Centre's grants being excluded as the funds are not controlled by Legal Aid Queensland.
39. Increase in payments for property plant, equipment and intangibles due to planned capital expenditure.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
40. Increase in employee costs due to enterprise bargaining increases and additional temporary staffing costs to assist with National Partnership Agreement (NPA) initiatives and projects to implement organisational change.
41. Increase in payments for property plant, equipment and intangibles due to planned capital expenditure.

Office of the Information Commissioner

OVERVIEW

The Office of the Information Commissioner (OIC) fosters greater access to public sector information by:

- providing independent review of decisions made under the *Right to Information Act 2009* and the *Information Privacy Act 2009*
- resolving privacy complaints
- fostering improvements in the quality of practice in Right to Information and Information Privacy in Queensland Government agencies
- promoting the principles and practices of Right to Information (RTI) and Information Privacy (IP) in the community and within government.

The most significant factor affecting the agency has been the 60% increase in external review applications since the RTI reforms.

REVIEW OF PERFORMANCE

Recent achievements

- Improvement of 34% in timeliness and very high levels of client satisfaction.
- Improved supervision of staff and cases through team based structure.
- Improved data collection, case flow management, information management.
- Electronic Knowledge Management System implemented to improve consistent, certain and timely service delivery.
- Established the performance monitoring function conforming with QAO requirements.
- Published Performance Standards and Measures for agencies.
- Established a five year work program for performance monitoring based on risk profiling.
- First report to Parliament on a desktop compliance audit.
- Second report to Parliament on an agency's personal information handling practices.
- Conducted two surveys and an electronic audit to benchmark community and public sector attitudes to the 2009 legislative reforms.
- Initiated the formation of Association of Information Access Commissioners.
- Convened the first national conference on Right to Information.

Future developments

- Develop a resolution training package as a demand management strategy.
- Build agency capabilities by providing a range of tools and resources that supports agency self audit and training appropriate to agency business and workforce requirements.
- Examine the feasibility of publishing OICs intranet to support government and community understanding of RTI and IP rights and responsibilities.
- Examine options for assessing the impact of RTI and IP reforms.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
		32.3	32.3	32.9

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

PERFORMANCE STATEMENT

Service standards	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Percentage of reviews resolved informally compared to reviews resolved by written determination		75%	85%	75%
Percentage of agencies satisfied with the information and assistance provided from the Office		75%	96%	75%
Percentage of applicants satisfied with the conduct of the review		70%	70%	70%
Median days to finalise review	1	90	68	90
Percentage of agencies satisfied with the privacy service provided		75%	75%	75%
Percentage of privacy complaints not formally referred to QCAT for determination	2	75%	96%	75%
Percentage of privacy complainants satisfied with the conciliation service		70%	75%	70%
Median days to finalise a privacy complaint	3	90	6	90
Other measures				
Percentage of agencies satisfied with the quality of information provided		75%	100%	75%
Percentage of course participants satisfied with sessions		75%	100%	75%
Percentage of review applications finalised to received	4	Amended measure	92.5%	100%

Service standards	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Percentage of open reviews at the end of the reporting period that are more than 12 months old	4	Amended measure	9%	0%
Percentage of privacy complaints finalised to received	4	Amended measure	96%	100%
State contribution ($000)		**5,943**	**5,943**	**6,663**
Other revenue ($000)		**12**	**12**	**12**
Total cost ($000)		**5,955**	**5,955**	**6,675**

Notes:
1. This target is currently under review. External review measures and targets are being reviewed in response to the increase in review applications received since the introduction of the Right to Information Act in 2009.
2. This target is currently under review. Information Privacy Act was introduced in 2009. Further experience is needed to assess a reasonable target.
3. This target is currently under review. A high proportion of initial privacy complaints were out of jurisdiction. Further experience is needed to assess a reasonable target.
4 Output measure was superseded by an efficiency or effectiveness measure.

INCOME STATEMENT

Office of the Information Commissioner	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue		..	..	..
User charges		..	..	..
Grants and other contributions	1	5,943	5,943	6,663
Other revenue		12	12	12
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**5,955**	**5,955**	**6,675**
Expenses				
Employee expenses	1	3,818	3,818	4,457
Supplies and services	1	1,861	1,861	1,942
Grants and subsidies		..	..	..
Depreciation and amortisation		271	271	271
Finance/borrowing costs		..	..	..
Other expenses		5	5	5
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**5,955**	**5,955**	**6,675**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

STATEMENT OF CHANGES IN EQUITY

Office of the Information Commissioner	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	(9)	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**(9)**	**..**
Surplus/(deficit) for the period		..	..	..
Total recognised income and expense for the period		**..**	**(9)**	**..**
Equity injection/(withdrawal)	1	..	..	(640)
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period	1	**..**	**(9)**	**(640)**

BALANCE SHEET

Office of the Information Commissioner	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	2,3	2,182	4,929	4,547
Receivables		61	92	92
Other financial assets		..	..	..
Inventories		..	..	..
Other		27	183	183
Non-financial assets held for sale		..	..	..
Total current assets		**2,270**	**5,204**	**4,822**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		465	677	419
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**465**	**677**	**419**
TOTAL ASSETS		**2,735**	**5,881**	**5,241**
CURRENT LIABILITIES				
Payables		209	481	481
Accrued employee benefits		173	213	213
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**382**	**694**	**694**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		69	88	88
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**69**	**88**	**88**
TOTAL LIABILITIES		**451**	**782**	**782**
NET ASSETS/(LIABILITIES)		**2,284**	**5,099**	**4,459**
EQUITY				
Capital/contributed equity		(58)	(43)	(683)
Accumulated surplus/(accumulated deficit)	2	2,342	5,142	5,142
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**2,284**	**5,099**	**4,459**

CASH FLOW STATEMENT

Office of the Information Commissioner	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts		..	..	..
User charges		..	..	..
Grants and other contributions	4	5,943	5,943	6,663
Other		12	12	12
Outflows:				
Employee costs	4	(3,818)	(3,818)	(4,457)
Supplies and services	4	(1,861)	(1,861)	(1,942)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(5)	(5)	(5)
Net cash provided by/(used in) operating activities		**271**	**271**	**271**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	5	(763)	(763)	(13)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(763)**	**(763)**	**(13)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	(640)
Net cash provided by/(used in) financing activities		**..**	**..**	**(640)**
Net increase/(decrease) in cash held		**(492)**	**(492)**	**(382)**
Cash at the beginning of financial year		**2,674**	**5,421**	**4,929**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**2,182**	**4,929**	**4,547**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2011-12 Estimate include:

1. Increased funding, matched by an equity withdrawal, for additional staffing to manage increased volume of external review applications and to assist clearance of application backlog.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

2. Represents accumulated depreciation, annual leave liability, interest, and cash held as a normal course of business operation.

Major variations between 2010-11 Estimated actual and 2011-12 Estimate include:

3. Represents expenditure of cash at bank for additional staffing to manage increased volume of external review applications and to assist clearance of application backlog.

Cash flow statement

Major variations between 2010-11 Budget and 2011-12 Estimated actual include:

4. Increased funding, matched by an equity withdrawal, for additional staffing to manage increased volume of external review applications and to assist clearance of application backlog.
5. Represents reduction due to leasehold improvements in 2010-11.

PART 17

Electoral Commission of Queensland

Summary of departmental portfolio budgets

Page	Agency	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
3-226	Electoral Commission of Queensland - controlled	13,686	15,066	85,362

Note:
1. Explanations of variances are provided in the financial statements.

DEPARTMENTAL OVERVIEW

MINISTERIAL RESPONSIBILITY

The Electoral Commission of Queensland (the Commission) is an independent statutory authority. The Deputy Premier and Attorney-General, Minister for Local Government and Special Minister of State has responsibility for the Commission.

STRATEGIC ISSUES

The Commission is an independent statutory authority established under the *Electoral Act 1992* with the principal goals of:

- administering Queensland's electoral laws, impartially and independently
- conducting free and democratic parliamentary, local government and industrial elections
- managing a comprehensive process for the independent review of local government boundaries
- promoting the informed participation and confidence of Queenslanders in the electoral system.

Key environmental factors impacting on the strategic direction of the Commission and the delivery of electoral services to Queenslanders include:

- the timing and duration of State, local, federal and interstate electoral events including general elections, by-elections, referendums, redistributions and industrial elections
- the Government's continuing electoral and administrative reform agenda, in particular the requirement for the commission to conduct quadrennial local government elections and by-elections, and amendments to electoral funding and disclosure requirements in the future
- demographic changes, particularly interstate migration and patterns of population distribution, on the spatial bases of commission clients and consequently on the local demand for electoral services throughout Queensland.

During the 2010-11 financial year the Commission deferred funding of $1.3 million to the 2011-12 financial year in relation to:

- further investigation into potential vision impaired voting systems and processes
- providing a pre-election enrolment campaign designed to try and maximise enrolment at the next State electoral event.

2011-12 HIGHLIGHTS

Major initiatives for 2011-12 include:

- preparation for and the conduct of the election for Queensland's 54th Parliament
- planning and preparation for and the conduct of the elections for the quadrennial local government elections
- the delivery of a Community Awareness Program based around the scheduled electoral events
- implementation of the Government's *Electoral Reform and Accountability Act 2011*
- continued administration of the party registration and financial disclosure schemes
- further investigation into potential vision impaired voting systems and processes
- conduct of references of local government matters received from the Deputy Premier, Attorney-General, Minister for Local Government and Special Minister of State under the *Local Government Act 1993*

- conduct of industrial elections for employer and employee organisations
- continued pursuit of the Commission's role in joint management of the electoral roll for Queensland and participation on the Electoral Council of Australia.

RECENT ACHIEVEMENTS

Major achievements for 2010-11 include:

- delivery of a Community Awareness Program
- continued planning and preparation for future parliamentary and local government elections
- successful conduct of a by-election for the City of Brisbane Ward of Walter Taylor
- continued administration of the party registration and financial disclosure schemes
- continued administration of the funding and disclosure provisions of the *Electoral Act 1992*
- conduct of references of local government matters received from the Deputy Premier, Attorney-General, Minister for Local Government and Special Minister of State under the *Local Government Act 1993*
- conduct of industrial elections for employer and employee organisations
- continued joint management of the electoral roll for Queensland and participation on the Electoral Council of Australia.

DEPARTMENTAL SERVICES

Electoral Services

The Commission's effective delivery of electoral services and the provision of a free, honest and fair electoral system ensure that all Queenslanders have the opportunity to participate equitably in the democratic life of the State, which contributes to *Toward Q2: Tomorrow's Queensland* ambition of *Fair - Supporting safe and caring communities*.

STAFFING[1]

Service areas	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
Services				
Electoral Services	2	..	..	..
(Electoral Commission of Queensland)				
Statutory Officers		1	1	1
Administrative Officers	3	35	33	67
Casual Officers		5	6	6
Total		**41**	**40**	**74**

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. The Governor in Council appoints 90 returning officers (one per State Electoral District and an assistant for the District of Cook) to assist with the conduct of a State general election. In addition, the commission engages up to 9,000 polling officials to conduct electoral events, most for one day only (polling day). People from each of these employee categories are not included in the total.
3. Five short term vacancies will be filled during 2011-12. Funding has been provided for the establishment of specific on-going local government and funding and disclosure work units in 2011-12 comprising an additional 29 staff.

ADMINISTERED ITEMS

DESCRIPTION

Administered activities are those undertaken by the commission on behalf of the Government. The commission's administered items relate to revenues collected on behalf of the Government for:

- fines levied against enrolled electors for failure to vote at parliamentary elections
- forfeiture of nomination deposits paid by or on behalf of candidates for parliamentary elections where the candidate did not attain the required number of first preference votes in the election for the electoral district
- recovery of costs from local governments for the conduct of local government quadrennial elections and by-elections.

REVIEW OF SERVICE PERFORMANCE

During 2010-11 a minor number of fines for failure to vote at State electoral events were collected. The collection of fines for failure to vote at electoral events is episodic in nature and of limited duration in that the process relates to a specific electoral event and the collection process is essentially completed in the 12 month period following the election.

Depending on the date of the next State election, it is anticipated that the collection of failure to vote fines will not occur until after the 2011-12 financial year, however the forfeiture of candidate nomination deposits will occur during 2011-12.

During 2011-12 the Commission will recover the costs of the 2012 local government quadrennial elections from local governments.

Financial statements and variance explanations in relation to Administered Items appear in the Departmental Financial Statements.

DEPARTMENTAL STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Electoral Services - Service standards				
Level of voter turnout State general election	1	..	..	91%
Level of informal voting State general election	1	..	..	2%
Level of elector satisfaction with the overall election process	1	New measure	New measure	95%
Cost of State general election per elector	1	..	..	$5.77
Per elector cost of public information and awareness campaigns	1	..	..	$1.42
Other measures				
Number of Parliamentary State general elections conducted	1	..	..	1
Number of local government elections conducted	2	..	..	98
Number of local government electoral and boundary reviews conducted	3	4	26	25
Number of industrial elections referred by Industrial Registrar	4	50	43	40
Number of industrial election positions elected	4	2,600	979	1,725
Number of industrial election ballots conducted	4	80	59	65
Number of roll services provided	5	115	117	136
Number of inquiries/audits of pre-selection ballots conducted	6	..	..	8
Number of enrolment transactions during the period	7	500,000	362,848	550,000
Increase in total enrolment during the period	8	55,000	54,258	50,000
Elector client base		2,750,000	2,739,116	2,840,000
Access to electoral services for Queenslanders – ECQ website pages visited	9	17,200,000	16,510,000	35,000,000
State contribution ($000)	10	**13,631**	**14,843**	**85,170**
Other revenue ($000)		**55**	**223**	**192**
Total cost ($000)		**13,686**	**15,066**	**85,362**

Notes:

1. The conduct of the election for Queensland's 54th Parliament is due to be held prior to the end of March 2012.
2. The elections for the City of Brisbane and the quadrennial local government elections are scheduled for March 2012.
3. The commission had anticipated conducting four local government boundary reviews in 2010-11, however 26 matters were referred by the Deputy Premier and Attorney-General, Minister for Local Government and Special Minister of State. The commission has estimated a number of matters will be referred by the Deputy Premier during the early part of 2011-12 in preparation for the quadrennial elections, but is uncertain of the actual numbers at this stage.
4. The actual number of industrial elections referred by the industrial registrar was fewer than anticipated. Although the actual number of positions to be elected and ballots conducted were fewer than anticipated, the positions involved and the ballots conducted were major elections and of a complex nature.
5. A higher number of roll services provided are anticipated for 2011-12 due to the provision of electoral roll data for the quadrennial elections in March 2011.
6. The conduct of the election for Queensland's 54th Parliament is due to be held prior to the end of March 2012 and audits of pre-selection ballots will be conducted following that event.
7. The anticipated level of enrolment transactions during the year was lower than anticipated due to limited Australian Electoral Commission activities during the period.
8. The lower level of increase in total enrolment in 2011-12 is due to the net effect of roll cleansing activities conducted by the Australian Electoral Commission during the period.
9. The level of the commission's website pages visited reflects the significant upgrade of the commission's web-based information systems to provide real-time detailed electoral information in a user-friendly format. The 2010-11 actual reflects increased usage due to the conduct of the Brisbane City Council's Walter Taylor by-election and the 2011-12 Target/estimated reflects anticipated activity during State and local government election periods.
10. The increased funding in 2011-12 reflects the funding associated with the conduct of the next State general election, the 2012 quadrennial local government elections and electoral reforms.

INCOME STATEMENT

Electoral Commission of Queensland	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue	3,7	13,631	14,843	85,170
User charges	1,4,8	55	223	192
Grants and other contributions		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**13,686**	**15,066**	**85,362**
Expenses				
Employee expenses	5,9	3,743	3,808	23,205
Supplies and services	2,6,10	9,775	11,090	61,977
Grants and subsidies		..	..	..
Depreciation and amortisation		125	125	125
Finance/borrowing costs		..	..	..
Other expenses		43	43	55
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**13,686**	**15,066**	**85,362**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

STATEMENT OF CHANGES IN EQUITY

Electoral Commission of Queensland	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		..	..	..
Total recognised income and expense for the period		**..**	**..**	**..**
Equity injection/(withdrawal)		(76)	229	1,778
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**(76)**	**229**	**1,778**

BALANCE SHEET

Electoral Commission of Queensland	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	11,16	911	1,048	1,057
Receivables	12,17	94	245	245
Other financial assets		..	..	..
Inventories		267	256	256
Other		47	30	30
Non-financial assets held for sale		..	..	..
Total current assets		**1,319**	**1,579**	**1,588**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	13,18	80	507	2,323
Intangibles		1,226	1,102	1,055
Other		..	..	..
Total non-current assets		**1,306**	**1,609**	**3,378**
TOTAL ASSETS		**2,625**	**3,188**	**4,966**
CURRENT LIABILITIES				
Payables	14,19	17	86	86
Accrued employee benefits	15,20	57	131	131
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**74**	**217**	**217**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**74**	**217**	**217**
NET ASSETS/(LIABILITIES)		**2,551**	**2,971**	**4,749**
EQUITY				
Capital/contributed equity		1,164	1,584	3,362
Accumulated surplus/(accumulated deficit)		1,387	1,387	1,387
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**2,551**	**2,971**	**4,749**

CASH FLOW STATEMENT

Electoral Commission of Queensland	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts	24,29	13,631	14,880	85,170
User charges	21,25,30	57	225	194
Grants and other contributions		..	..	..
Other		890	890	890
Outflows:				
Employee costs	26,31	(3,743)	(3,808)	(23,205)
Supplies and services	27,32	(10,665)	(13,262)	(62,867)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(45)	(45)	(57)
Net cash provided by/(used in) operating activities		**125**	**(1,120)**	**125**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	22,33	(40)	(345)	(1,894)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(40)**	**(345)**	**(1,894)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	23,28,34	..	305	1,854
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		(76)	(76)	(76)
Net cash provided by/(used in) financing activities		**(76)**	**229**	**1,778**
Net increase/(decrease) in cash held		**9**	**(1,236)**	**9**
Cash at the beginning of financial year		**902**	**2,284**	**1,048**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**911**	**1,048**	**1,057**

ADMINISTERED INCOME STATEMENT

Electoral Commission of Queensland	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Revenues				
Commonwealth grants		..	..	..
Taxes, fees and fines	35,36,38	..	2	8
Royalties, property income and other territorial Revenue		..	..	..
Interest		..	..	..
Administered revenue		..	..	..
Other	37,39	..	..	21,475
Total revenues		**..**	**2**	**21,483**
Expenses				
Supplies and services		..	..	..
Depreciation and amortisation				
Grants and subsidies		..	..	..
Benefit payments				
Borrowing costs		..	..	..
Other		..	..	..
Total expenses		**..**	**..**	**..**
Net surplus or deficit before transfers to Government		**..**	**2**	**21,483**
Transfers of administered revenue to Government		**..**	**2**	**21,483**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

ADMINISTERED CASH FLOW STATEMENT

Electoral Commission of Queensland	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Administered item receipts		..	..	..
Grants and other contributions		..	..	..
Taxes, fees and fines	40,41,43	..	2	8
Royalties, property income and other territorial revenues		..	..	..
Other	42,44	..	..	21,475
Outflows:				
Transfers to Government	45	..	(2)	(21,483)
Grants and subsidies		..	..	..
Supplies and services		..	..	..
Borrowing costs		..	..	..
Other		..	..	..
Net cash provided by/(used in) operating activities		**..**	**..**	**..**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(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/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**..**	**..**	**..**
Administered cash at beginning of financial year		**..**	**..**	**..**
Cash transfers from restructure		..	..	..
Administered cash at end of financial year		**..**	**..**	**..**

Explanation of Variances in the Financial Statements

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. The increase in user charges is the result of revenue received from the Brisbane City Council for the conduct of the Walter Taylor By-election.
2. The increase in supplies and services relates to funds provided for the payment of administration funding under the new *Electoral Reform and Accountability Act 2011*.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

3. The increase in service revenue in 2011-12 relates to additional funds provided for the conduct of the next State general election; election funding payments in relation to the election; administration funding payments; funds to conduct the 2012 quadrennial local government elections, by-elections and the establishment of specific local government and funding and disclosure work units within the Commission.
4. The increase in user charges in 2011-12 relates to statutory charges levied for the supply of electoral roll data to local authorities for the quadrennial local government election to be held in March 2012.
5. The increase in employee expenses in 2011-12 relates to the labour related expenses for the next State general election, the 2012 quadrennial local government elections, by-elections and the establishment of specific local government and funding and disclosure work units within the Commission.
6. The increase in supplies and services in 2011-12 relates to the costs for the conduct of the next State general election, election funding payments in relation to the election, administration funding payments, the conduct of the 2012 quadrennial local government elections, by-elections, and the establishment of specific local government and funding and disclosure work units.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

7. The increase in service revenue in 2011-12 relates to additional funds provided for the conduct of the next State general election, election funding payments in relation to the election; administration funding payments, funds to conduct the 2012 quadrennial local government elections and any by-elections, and the establishment of specific local government and funding and disclosure work units within the Commission.
8. In 2010-11 revenues were received from the Brisbane City Council for the Walter Taylor By-election and in 2011-12 the estimated revenues are in relation to the statutory charges levied for the supply of electoral roll data to local authorities for the quadrennial local government election to be held in March 2012.
9. The increase in employee expenses in 2011-12 relates to the labour related expenses for the next State general election, the 2012 quadrennial local government elections, by-elections and the establishment of the specific local government and funding and disclosure work units.
10. The increase in supplies and services in 2011-12 relates to the costs of conducting the next State general election, election funding payments in relation to the election, administration funding payments, the conduct of the 2012 quadrennial local government elections, by-elections and the establishment of the specific local government and funding and disclosure work units.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

11. The increase in cash assets in 2010-11 relates to the cash offset of increased payables associated with the increased activity in the lead up to the electoral events to be conducted in 2011-12.
12. The increased level of receivables in 2010-11 relates to increased activity in the production of roll products in the lead up to the next State general election and the 2012 Quadrennial Local Government elections.
13. The increase in property plant and equipment relates to plant and equipment purchased during 2010-11 in preparation for the next State general election and 2012 local government elections.
14. The increase in payables in 2010-11 relates to increased level of payables activity during the lead up period for the electoral events to be conducted in 2011-12.
15. The increase in accrued employee benefits relates to the increased leave balances of staff as election preparations continue.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

16. The increase in cash assets in 2011-12 relates to the cash offset of increased payables associated with the increased activity during an election year.
17. The increased level of receivables in 2011-12 relates to increased activity in the production of roll products in the lead up to the next State general election and the 2012 Quadrennial Local Government elections.
18. The increase in property plant and equipment relates to plant and equipment purchased in preparation for the next State general election and 2012 local government elections and the establishment of the local government and funding and disclosure work units.
19. The increase in payables in 2011-12 relates to increased level of payables activity during an election period.
20. The increase in accrued employee benefits relates to the increased leave balances of staff as election preparations continue.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

21. The increase in user charges is the result of revenue received from the Brisbane City Council for the conduct of the Walter Taylor By-election.
22. The increase in payments for property plant and equipment and intangibles relates to plant and equipment purchased during 2010-11 in preparation for the next State general election and 2012 local government elections.

23. The equity injection during 2010-11 relates to a transfer of funds from recurrent funding to equity funding for plant and equipment purchased during 2010-11 in preparation for the next State general election and 2012 local government elections.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
24. The increase in service receipts in 2011-12 relates to additional funds provided for the conduct of the next State general election, election funding payments in relation to the election, administration funding payments, the conduct of the 2012 quadrennial local government elections, by-elections and the establishment of specific local government and funding and disclosure work units within the Commission.
25. The increase in user charges in 2011-12 relates to statutory charges levied for the supply of electoral roll data to local authorities for the quadrennial local government election to be held in March 2012.
26. The increase in employee expenses in 2011-12 relates to the labour related expenses for the next State general election, 2012 quadrennial local government elections, by-elections and the establishment of the specific local government and funding and disclosure work units.
27. The increase in supplies and services in 2011-12 relates to the costs for the conduct of the next State general election, election funding payments in relation to the election, administration funding payments, the conduct of the 2012 quadrennial local government elections, by-elections and the establishment of the specific local government and funding and disclosure work unit.
28. The equity injection in 2011-12 relates to equity funding for equipment and systems to be purchased in relation to the next State general election, local government elections and the establishment of the specific local government and funding and disclosure work units.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
29. The increase in service receipts in 2011-12 relates to additional funds provided for the conduct of the next State general election, election funding payments in relation to the election, administration funding payments, the conduct of the 2012 quadrennial local government elections, by-elections and the establishment of the specific local government and funding and disclosure work units.
30. In 2010-11 revenues were received from the Brisbane City Council for the Walter Taylor By-election and in 2011-12 the estimated revenues are in relation to the statutory charges levied for the supply of electoral roll data to local authorities for the quadrennial local government election to be held in March 2012.
31. The increase in employee expenses in 2011-12 relates to the labour related expenses for the next State general election, the 2012 quadrennial local government elections, by-elections and the establishment of the specific local government and funding and disclosure work units.
32. The increase in supplies and services in 2011-12 relates to the costs for the conduct of the next State general election, election funding payments in relation to the election, administration funding payments, the 2012 quadrennial local government elections and by-elections and the establishment of the specific local government and funding and disclosure work units.
33. The variation in payments for property plant and equipment and intangibles relates to a once off purchase of plant and equipment in preparation for the next State general election, 2012 local government elections and the establishment of the specific local government and funding and disclosure work units.
34. The equity injection in 2011-12 relates to equity funding for equipment and systems to be purchased during 2011-12 in relation to the next State general election, local government elections and the establishment of the specific local government and funding and disclosure work units.

Administered income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
35. The variation during 2010-11 is in relation to a minor number of unanticipated fines collected from the non-voter process at the 2009 State general election.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
36. The 2011-12 figures relate to a once only forfeiture of candidate nomination deposits from the next State general election.
37. The 2011-12 figures relate to a recovery from local governments of the costs of conducting the 2012 quadrennial local government elections, by-elections and the costs of a specific local government work unit.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
38. The 2011-12 figures relate to a once only forfeiture of candidate nomination deposits from the next State general election.
39. The 2011-12 figures relate to a recovery from local governments of the costs of conducting the 2012 quadrennial local government elections, by-elections and the costs of a specific local government work unit.

Administered cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
40. The variation during 2010-11 is in relation to a minor number of unanticipated fines collected from the non-voter process at the 2009 State general election.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
41. The 2011-12 figures relate to a once only forfeiture of candidate nomination deposits from the next State general election.
42. The 2011-12 figures relate to a recovery from local governments of the costs of conducting the 2012 quadrennial local government elections, by-elections and the costs of a specific local government work unit.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
43. The 2011-12 figures relate to a once only forfeiture of candidate nomination deposits from the next State general election.
44. The 2011-12 figures relate to a recovery from local governments of the costs of conducting the 2012 quadrennial local government elections, by-elections and the costs of a specific local government work unit.

45. The 2011-12 figures relate to a once only forfeiture of candidate nomination deposits from the next State general election and the recovery from local governments of the costs of conducting the 2012 quadrennial local government elections, by-elections and the costs of a specific local government work unit.

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PART 18

Office of the Ombudsman

Summary of departmental budgets

Page	Agency	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
3-241	Office of the Queensland Ombudsman - controlled	7,069	7,131	7,294

Note:
1. Explanations of variances are provided in the financial statements.

DEPARTMENTAL OVERVIEW

MINISTERIAL RESPONSIBILITY

The Office of the Ombudsman (the Office) is a department for the purposes of the *Financial Accountability Act 2009*. The Deputy Premier and Attorney-General, Minister for Local Government and Special Minister of State has ministerial responsibility for the Office.

STRATEGIC ISSUES

The purpose of the Office is to play a lead role in enhancing public sector governance by:

- independently reviewing the actions of state and local government agencies to ensure that people are treated fairly in their dealings with those agencies
- helping agencies improve their decision-making and administrative practice.

The objectives of the Office are to:

- promote administrative justice by providing an independent, fair and effective investigative service
- contribute to improving the quality of administrative practice in Queensland public sector agencies
- ensure all sections of the community are aware of and have reasonable access to the Office's services
- promote organisational excellence and a skilled, committed workforce.

The Office's success in meeting these objectives is measured by a variety of performance indicators that assess:

- the timeliness of complaint resolution
- the amount of assistance the Office provides to public sector agencies to improve their administrative practice
- community awareness and accessibility of the Office
- how efficiently the Office is meeting its corporate governance objectives.

Environmental factors influencing the strategic direction of the Office include:

- the challenges of cost-effectively discharging its broad function of helping public agencies improve administrative practice without jeopardising its function of independently investigating complaints about those agencies' decisions
- the need to liaise effectively with other complaint agencies with overlapping jurisdiction to avoid duplication of investigative resources
- Queensland's diverse and highly decentralised community
- the proliferation of public and private complaint agencies, including industry ombudsmen, leading to uncertainty in the community about the Office's role.

2011-12 HIGHLIGHTS

The *Ombudsman Act 2001* requires that a strategic review be carried out every five years to examine the functions of the Office and assess whether these functions are being discharged efficiently and effectively. The previous review was undertaken in 2005. The next five yearly strategic review of the office is set to occur in the first half of the 2011-12 financial year, oversighted by the Parliamentary Law, Justice and Safety Committee.

The Office will continue to deliver training and other administrative improvement services to state and local government agencies (including Good Decisions, Complaints Management and Ethical Decision-making training programs along with agency system audits) to help officers within agencies make fair and soundly-based decisions and improve the way they deal with complaints.

The Office will also continue to:

- assess and investigate complaints from members of the public in a timely manner
- conduct own initiative investigations, where appropriate
- report publicly on systemic maladministration, where it is in the public interest to do so
- publish newsletters and other resources containing advice for agencies on good administrative practice, including a searchable library of cases the Office has investigated over the past five years, to be added to the Office's website (www.ombudsman.qld.gov.au).

RECENT ACHIEVEMENTS

- Due to Brisbane's major flooding the Office was inaccessible from 11 January until 25 January. While this had a significant impact on the Office, temporary accommodation was sourced within the Parliamentary Annex to set up a temporary contact centre. Since the floods, the incoming complaints backlog, caused by the flooding, has now been cleared and timeframes largely returned to expected levels.
- Finalised 14,913 complaint related matters (as at 31 March 2011) comprising:
  - 6,128 complaints;
  - 8,225 complaints that the Office referred to other complaint agencies as they were not in the Office's jurisdiction;
  - 525 inquiries; and
  - 35 reviews requested by complainants dissatisfied with a decision of the Office.
- Finalised 86% of complaints within 30 days of receipt.
- Continued to provide access to the Office's services for all Queenslanders.
- Continued to increase awareness and access to the Office's services through regional awareness campaigns. These campaigns target regions that, based on population, are under-represented in the number of complaints received by the Office. Activities included:
  - the development and distribution of posters and brochures for regional Queensland community centres, libraries and Queensland Government Agent Program (QGAP) offices; and
  - advertising and publicity activities in regional newspapers and radio in Sunshine Coast, West Queensland, North Queensland, the Gold Coast and Brisbane regional visits by the Ombudsman.

- Delivered 71 training sessions to agencies on good decision-making, effective complaints management and ethical decision-making (as at 31 March 2011) with at least 50 additional sessions to be delivered by 30 June 2011. Of the 71 sessions:
  - 24 were held in regional Queensland;
  - 56 were delivered to state agencies and attended by 1120 officers;
  - 3 were delivered to local councils and attended by 60 officers; and
  - 12 were delivered to combined groups and attended by 220 officers.
- Produced and publicly released the report *Complaints Matter - A review of the complaints management systems of local councils in Queensland (September 2010).*
- Continued to carry out the corrections program which entailed:
  - visiting each of the 14 correctional centres in Queensland to investigate complaints and inspect records and systems;
  - receiving 722 complaints about corrections related issues (as at 31 March 2011); and
  - servicing the Prisoner Phonelink, a free and confidential telephone service that prisoners at each centre can use to call the Office (54% of complaints about corrections issues were received via the Phonelink).
- Continued joint awareness activities with other independent complaint agencies targeting multicultural communities, Aboriginal people and Torres Strait Islanders, to communicate the message 'It's OK to complain'. These activities included:
  - continued sponsorship of a joint web portal at www.complaints.qld.gov.au, which provides information on the roles, responsibilities and the types of complaints managed by 14 government and private complaint agencies operating in Queensland;
  - on-going production and distribution of combined 'It's OK to complain' brochures in 15 languages;
  - producing and distributing a joint poster outlining the Office of the Ombudsman's services, which was also translated into 15 languages; and
  - sharing a stand at the National Aboriginal Islander Day Observance Committee (NAIDOC) Week celebrations and the Roma Street Multicultural Festival under the shared 'It's OK to complain' banner with the Commonwealth Ombudsman and the Health Quality and Complaints Commission.
- Conducted activities to increase awareness of the Office among multicultural groups in the community, including:
  - distributing Office's brochures in 17 languages to access points including multicultural liaison officers, local councils, government agencies and community / health / legal centres;
  - distributing materials specifically designed for Aboriginal people and Torres Strait Islanders to access points including indigenous councils, land councils and community/health/legal centres;
  - regular presentations to multicultural organisations about the Office of the Ombudsman's role and services;
  - distributing Community Service Announcements to multicultural radio stations; and
  - editorial submissions to indigenous and multicultural media outlets.
- Continued to publish the Office of the Ombudsman's series of *Perspective* newsletters, providing case studies, tips and advice for officers in state and local government agencies. The newsletters were:
  - *State Perspective* for decision-makers in the state public sector;
  - *Local Perspective* for decision-makers in local councils;
  - *Legal Perspective* for public sector lawyers and private sector lawyers with public sector clients; and
  - *Corrections Perspective,* a publication tailored specially for officers in Queensland Corrective Services.

- Continued to promote the Office's website achieving the following results:
  - complaints received by email and by the Office's online complaint form now comprise more than 29% of all complaints received by the Office; and
  - access to the website by members of the public and officers from government agencies increased by 30% from 38,441 site visits in 2009-2010 to 50,009 site visits during the same period in 2010-11. The materials downloaded most frequently were the online complaints form, *Perspective* newsletters, Good Decision-Making Guide and Complaints Management resources.
- Created an online case study library on the Office's website. This online library contains examples of complaints that the Office has investigated over the last five years. The case study library can also be used by public sector officers to improve administrative decision-making. Case studies can be searched in various ways, including by keyword, agency or date.
- In conjunction with the Commonwealth Ombudsman:
  - Commenced the Roma House Homeless Trial Project, an access program for people residing at Roma House – a 24-hour, intensive support base for homeless men, women and families. Representatives from the Office conducted an initial briefing session for case workers at Roma House and senior investigators from each Office attended Roma House every month to provide advice on complaints.
  - Since October 2010 the Office has also attended the Brisbane Homeless Service Centre at West End in conjunction with the Commonwealth Ombudsman. Initially visits were fortnightly but have now moved to monthly.
  - In November 2010 and May 2011, representatives from the Office attended the Homeless Connect event at the RNA Showgrounds, sharing an information stand with the Commonwealth Ombudsman.
- Continued an awareness campaign targeting youth audiences by attending Orientation Week activities at Universities, including the distribution of 2,000 information kits to university students across Brisbane, the Sunshine Coast and North Queensland.
- Continued to promote the Office within the legal community by contributing to the Queensland Law Handbook. This valuable community resource is produced by the Caxton Legal Centre and distributed to schools, law firms and community legal centres.

DEPARTMENTAL SERVICES

The Ombudsman's Office provides a lead role in enhancing public sector governance by:
- independently reviewing the actions of state and local government agencies to ensure that people are treated fairly in their dealings with those agencies
- helping agencies improve their decision-making and administrative practice.

This is achieved by managing accessible and comprehensive complaints management and investigation programs, by undertaking major own-initiative investigations and by offering a significant and on-going program of training, system reviews and audits of agency internal review processes.

STAFFING[1]

Service areas	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
		57	55.1	58

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

DEPARTMENTAL STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Independent Review of Complaints about Government Administration - Service standards				
Proportion of complaints investigated where a positive outcome was achieved for the complainant		40%	52%	40%
Proportion of complaints resolved informally		95%	99%	95%
Proportion of complaints where early intervention occurred		90%	98%	90%
Proportion of recommendations for improvements to administrative practice or to rectify unfairness to individual complainants accepted by agencies		90%	100%	90%
Other Measures				
Complaints finalised		8,000	8,200	8,000
Inquiries finalised		600	650	600
Referrals finalised		9,500	10,500	9,500
Review requests finalised		50	50	50
Total matters finalised		18,150	19,400	18,150
Proportion of complaints finalised within 12 months of lodgement		95%	99%	95%
Proportion of open complaints at the end of each reporting period that are more than 12 months old		5%	7%	5%
Number of regional centres outside of Brisbane visited to investigate complaints and/or deliver administrative improvement training sessions		50	55	50
Proportion of complaints received from outside of Brisbane		65%	63%	65%
Number of administrative improvement training sessions delivered		100	125	100
State Contribution ($'000)		**6,869**	**6,931**	**7,094**
Other Revenue ($'000)		**200**	**200**	**200**
Total Cost ($'000)		**7,069**	**7,131**	**7,294**

INCOME STATEMENT

Office of the Ombudsman	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue	1,3,6	6,869	6,931	7,094
User charges		200	200	200
Grants and other contributions		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**7,069**	**7,131**	**7,294**
Expenses				
Employee expenses	2,4,7	5,544	5,606	5,718
Supplies and services	5,8	1,209	1,209	1,249
Grants and subsidies		..	..	..
Depreciation and amortisation	9	268	268	277
Finance/borrowing costs		..	..	..
Other expenses		48	48	50
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**7,069**	**7,131**	**7,294**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

STATEMENT OF CHANGES IN EQUITY

Office of the Ombudsman	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		..	..	..
Total recognised income and expense for the period		**..**	**..**	**..**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**..**	**..**	**..**

BALANCE SHEET

Office of the Ombudsman	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	10,15,22	273	473	563
Receivables		195	188	193
Other financial assets		..	..	..
Inventories		..	..	..
Other	11,16	50	40	42
Non-financial assets held for sale		..	..	..
Total current assets		**518**	**701**	**798**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	12,17,23	1,387	1,438	1,258
Intangibles	18,24	36	35	18
Other		..	..	..
Total non-current assets		**1,423**	**1,473**	**1,276**
TOTAL ASSETS		**1,941**	**2,174**	**2,074**
CURRENT LIABILITIES				
Payables	13,19	125	337	342
Accrued employee benefits		119	125	130
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		110	110	110
Total current liabilities		**354**	**572**	**582**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	20,25	770	770	660
Total non-current liabilities		**770**	**770**	**660**
TOTAL LIABILITIES		**1,124**	**1,342**	**1,242**
NET ASSETS/(LIABILITIES)		**817**	**832**	**832**
EQUITY				
Capital/contributed equity		881	881	881
Accumulated surplus/(accumulated deficit)	14,21	(64)	(49)	(49)
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**817**	**832**	**832**

CASH FLOW STATEMENT

Office of the Ombudsman	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts	26,28,30	6,869	6,931	7,094
User charges		204	204	204
Grants and other contributions		..	..	..
Other		113	113	115
Outflows:				
Employee costs	27,29,31	(5,546)	(5,608)	(5,720)
Supplies and services		(1,324)	(1,320)	(1,359)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(158)	(162)	(164)
Net cash provided by/(used in) operating activities		**158**	**158**	**170**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		(80)	(80)	(80)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(80)**	**(80)**	**(80)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**78**	**78**	**90**
Cash at the beginning of financial year		**195**	**395**	**473**
Cash transfers from restructure		..	..	..
Cash at the end of financial year	10,15,22	**273**	**473**	**563**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
1. Increase due to a carry forward of service revenue from 2009-10 to 2010-11 of $0.06 million.
2. Increase due to additional temporary staff required to manage the increase in complaint volume.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
3. Service revenue in the 2011-12 Estimate includes enterprise bargaining increases.
4. Increase due to enterprise bargaining increases.
5. Increase due to higher accommodation expenses due to the rent escalation clause.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
6. Increase in service revenue in the 2011-12 Estimate is due to enterprise bargaining increases, offset by the carry forward of service revenue from 2009-10 to 2010-11 of $0.06 million.
7. Increase due to enterprise bargaining increases, partially offset by cuts in temporary staffing costs.
8. Increase due to higher accommodation expenses due to rent escalation clause.
9. Increase due to depreciation on assets acquired in 2011-12.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
10. Increase due to a high value of unpaid expenses anticipated at year end.
11. Decrease due to an expected lower salaries prepayment at year end.
12. Increase due to higher capital expenditure in 2009-10 than anticipated at time of 2010-11 budget preparation.
13. Increase in payables due to expected higher purchases in 2010-11 which will only be settled after year end.
14. The decrease in accumulated deficit reflects the profit of $0.015 million achieved in 2009-10.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
15. Increase due to increase in anticipated payables at year end and the higher depreciation and amortisation charge over capital expenditure in 2011-12.
16. Decrease due to an expected lower salaries prepayment at year end.
17. Decrease due to higher depreciation than capital expenditure in 2011-12.
18. Decrease due to higher amortisation than capital expenditure in 2011-12.
19. Increase in payables due to expected higher purchases in 2010-11 which will only be settled after year end.
20. The non-current portion of the liability for the building owners' incentive reflected in the 2011-12 Estimate has been reduced by the amount utilised during the year.
21. The decrease in accumulated deficit reflects the profit of $0.015 million achieved in 2009-10.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
22. Increase due to depreciation charged, non-cash, being greater than anticipated expenditure on non-current assets.
23. Decrease due to higher depreciation charges than expenditure on new assets.
24. Decrease due to higher amortisation charges than expenditure on new intangible assets.
25. The non-current portion of the liability for the building owners' incentive is reduced by the amount taken to the income statement during the year.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
26. Increase due to a carry forward of service revenue from 2009-10 to 2010-11 of $0.06 million.
27. Increase due to additional temporary staff required to manage the increase in complaint volume.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
28. Service revenue in the 2011-12 Estimate includes enterprise bargaining increases.
29. Increase in employee costs is due to enterprise bargaining increases.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
30. Service revenue in the 2011-12 Estimate includes enterprise bargaining increases.
31. Increase in employee costs is due to enterprise bargaining increases.

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PART 19

Public Trust Office

Summary of departmental budgets

Page	Agency	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
3-252	The Public Trustee – controlled	76,481	73,300	78,516
	The Public Trustee – administered	786	786	825

Note:
1. Explanations of variances are provided in the financial statements.

DEPARTMENTAL OVERVIEW

MINISTERIAL RESPONSIBILITY

The Deputy Premier and Attorney-General, Minister for Local Government and Special Minister of State has responsibility for the Public Trustee.

STRATEGIC ISSUES

The Public Trustee, established on 1 January 1916, supports Queenslanders by:

- administering deceased estates and trusts, making Wills and Enduring Powers of Attorney, and providing financial management for people with a decision-making disability
- acting as trustee of philanthropic trusts such as the Queensland Community Foundation, the Forde Foundation, the Queensland Aboriginal and Torres Strait Islander Foundation and the Lady Bowen Trust
- providing community service obligations, at no cost to government, budgeted at $25.7 million in 2011-12, which includes $17.9 million for managing the commercially uneconomical affairs of people with a disability and funding for the Office of the Adult Guardian of $1 million. Other community service obligations include providing a free will making service; managing commercially uneconomical deceased estates; managing the estates of prisoners; financially supporting the Civil Laws Legal Aid scheme and providing free advice to the community.

The Public Trustee's *Strategic Plan 2009–2013* is designed to ensure the sustainable long-term financial viability of the Office of the Public Trustee (the Office). This will be achieved by:

- further marketing and developing the estate and trustee commercial operations to ensure the Office retains and enhances its position in the Queensland community and generates sufficient returns to keep funding its community service obligations
- continually improving on the Office's investment and financial objectives to ensure it acts in the best interests of its client as prescribed by the Prudent Person Rule in terms of Part 3 of the *Trusts Act 1973*.
- understanding and meeting client expectations and delivering responsive services
- improving the Office's service delivery and increasing the community's understanding of the role and scope of services delivered.

For over ten years, The Public Trustee provided custodian services for a number of managed investment schemes and acted as trustee for a number of debenture and note issues by companies, under Chapter 21 of the *Corporations Act 2001.* The Public Trustee decided to withdraw from this activity in 2008. The Public Trustee has taken the appropriate steps to effect an orderly withdrawal from each scheme, having regard to the interests of the investors and companies involved in the schemes. The final date of withdrawal cannot be ascertained.

Queensland's ageing population and the increasing incidence of elder abuse, particularly involving financial misappropriation, has generated an increased need for financial administration of complex matters.

2011-12 HIGHLIGHTS

- The Public Trustee expects to achieve a steady growth of core business activities. It aims to educate the community about its services and the benefits of appointing The Public Trustee as Executor of Wills and Financial Attorney. There will also be a focus on increasing the number of Trusts and private Executor services. Marketing and communication in conjunction with regional offices across Queensland will also focus on an increased program of community engagement to raise awareness of Will making in the community.
- A warehouse at Brendale has been purchased to meet a range of business needs including providing future document and file storage. It will feature a safe and secure Will storage room. The Strathpine satellite office and Brisbane support services mailroom will also relocate to this facility. There are also plans for a Contact Centre to be located at the Brendale premises. This will assist The Public Trustee to further streamline its administrative processes and better serve client inquiries and document making appointment bookings.
- There is a budgeted surplus of $0.03 million in 2011-12 due to a combination of revenue growth offset by increased costs as the Office implements its *Strategic Plan 2009-2013*.
- The Public Trustee will continue improving its work processes to enhance its Will making, deceased estates, private executor and disability services to better serve its clients.
- In 2011-12, additional Client Service Centres will be implemented to enhance service delivery to clients and improve efficiencies to work processes.
- The current information systems that support the investment operations will be improved. This will result in a more centralised, automated system that will process investment transactions more efficiently.

RECENT ACHIEVEMENTS

- To meet the growing population of the Sunshine Coast Region, particularly for people over 65, a new Regional Office was established at Kawana. This was in accordance with the South East Queensland Regional Plan 2009-2031 recommendations to locate future government services around priority transit centres, regional activity centres and areas of population growth.
- The Public Trustee acts as Trustee of the Queensland Aboriginal and Torres Strait Islander Foundation. The Foundation was established to advance the education and life opportunities of Aboriginal and Torres Strait Islander children and young people in Queensland through the provision and promotion of scholarships. The Foundation is currently completing its second grants program with the provision of scholarships of $1.1 million to 39 schools representing 281 children.
- The Queensland Community Foundation now has $32.1 million of charitable funds under management (including bequests) and over $391.9 million of pledged bequests.
- The Public Trustee acts as Trustee of the Gladstone Foundation. The Foundation was established on the 11th February 2011, for certain public charitable purposes, for the benefit of the Gladstone Region.
- The Public Trustee is maintaining its status as the preferred financial administrator for adults with a decision-making disability. As at 31 March 2011, The Public Trustee was:
  - appointed as financial manager in approximately 83% of new appointments made by the Queensland Civil and Administrative Tribunal;
  - reappointed as financial administrator in 78% of review hearings; and
  - appointed as financial administrator in 11% of review hearings of private appointments.

The Public Trustee has increased its State-wide will making capabilities though increased Wills outreach service provided through Centrelink Offices and Courthouses and Queensland Government Agents.

DEPARTMENTAL SERVICES

The Government's Performance Management Framework is being progressively implemented across The Public Trustee. The Public Trustee evaluates its work against 'services' and 'service standards' that align with the *Strategic Plan 2009-13*.

The Public Trustee provides a trustee and administration service including: administration of deceased estates, financial administration of disability support and other trust matters, free Will making, and making Enduring Powers of Attorney for clients.

STAFFING[1]

Service areas	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
	2	550	498	530

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. The Public Trustee intends to increase staff according to business needs arising from implementation of the Strategic Plan 2009-2013. This is reflected in the 2010-11 Budget and the 2011-12 Estimate. However, some of these positions remain unfilled, hence the significant difference when compared to the 2010-11 Estimated actual. Any staffing reductions would be the result of natural attrition.

ADMINISTERED ITEMS

DESCRIPTION

Under section 25 of the *Public Trustee Act 1978*, The Public Trustee administers the Unclaimed Moneys Fund on behalf of the Government. The Unclaimed Moneys Fund represents moneys received from various sources through a variety of statutory provisions dealing with unclaimed moneys or other property. The major source of money held by the Public Trustee comprises the proceeds of deceased estates where beneficiaries cannot be found and dividends for shareholders who cannot be located.

Financial Statements in relation to Administered Items appear on the following pages.

DEPARTMENTAL STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service standards	1,2			
Other measures				
Number of deceased estate matters received for administration		2,553	2,450	2,464
Number of protective management matters under administration		7,528	7,612	7,841
Number of commercially uneconomical affairs of people with a disability managed at no cost to government		7,733	8,167	8,259
Total cost of managing the commercially uneconomical affairs of people with a disability ($'000)		17,186	17,594	17,926
Number of Enduring Powers of Attorney prepared	3	3,704	3,883	5,350
Number of Wills prepared	3	25,098	23,706	30,375
Degree of compliance with Client Service Standards (as measured by Client Satisfaction Survey)	4	New measure	New measure	80%
Administration of Deceased Estates finalised within 12 months	4	New measure	New measure	70%
Appointment rate as financial administrator under the Guardianship and Administration Act as a % of total financial appointments made	4	New measure	New measure	60%
Re-appointment rate as financial administrator under the Guardianship and Administration Act as a % of total financial appointments made	4	New measure	New measure	80%
State contribution ($000)		**..**	**..**	**..**
Other revenue ($000)		**76,611**	**76,157**	**78,543**
Total cost ($000)		**76,481**	**73,300**	**78,516**

Notes:
1. A suitable measure of efficiency is currently being investigated.
2. A suitable measure of effectiveness is currently being investigated.
3. The 2011-12 targets are significantly higher because The Public Trustee expects growth in demand for its services.
4. These new measures were introduced in line with the Department of Premier and Cabinet Performance Management Framework.

INCOME STATEMENT

Public Trust Office	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue		..	..	..
User charges		47,452	45,892	47,678
Grants and other contributions		..	..	..
Other revenue	5,12	29,159	30,265	30,865
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**76,611**	**76,157**	**78,543**
Expenses				
Employee expenses	6,13	41,779	41,555	44,428
Supplies and services	1,7,14	12,883	11,475	12,211
Grants and subsidies		1,066	1,066	1,103
Depreciation and amortisation	2,8,15	2,047	1,886	2,212
Finance/borrowing costs	9,16	12,295	12,229	13,359
Other expenses	3,10,17	6,411	5,089	5,203
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**76,481**	**73,300**	**78,516**
OPERATING SURPLUS/(DEFICIT)	4,11,18	**130**	**2,857**	**27**

STATEMENT OF CHANGES IN EQUITY

Public Trust Office	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		130	2,857	27
Total recognised income and expense for the period		**130**	**2,857**	**27**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**130**	**2,857**	**27**

BALANCE SHEET

Public Trust Office	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	19,24,29	99,356	10,200	61,495
Receivables	20,25	9,735	(1,236)	(1,236)
Other financial assets	21,26,30	397,228	455,039	431,165
Inventories		..	..	..
Other		889	879	879
Non-financial assets held for sale		..	..	..
Total current assets		**507,208**	**464,882**	**492,303**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets	21,26,30	10,395	51,526	51,526
Property, plant and equipment	22,27	55,836	46,917	47,274
Intangibles	22,27,31	1,310	470	651
Other		..	..	..
Total non-current assets		**67,541**	**98,913**	**99,451**
TOTAL ASSETS		**574,749**	**563,795**	**591,754**
CURRENT LIABILITIES				
Payables		5,746	5,592	5,592
Accrued employee benefits		3,204	3,489	3,489
Interest-bearing liabilities and derivatives	32	399,985	390,876	418,808
Provisions		1,051	1,031	1,031
Other		..	..	..
Total current liabilities		**409,986**	**400,988**	**428,920**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		6,833	7,090	7,090
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**6,833**	**7,090**	**7,090**
TOTAL LIABILITIES		**416,819**	**408,078**	**436,010**
NET ASSETS/(LIABILITIES)		**157,930**	**155,717**	**155,744**
EQUITY				
Capital/contributed equity		..	..	..
Accumulated surplus/(accumulated deficit)	23,28	13,636	17,328	17,355
Reserves:				
- Asset revaluation surplus	23,28	37,879	31,974	31,974
- Other (specify)		106,415	106,415	106,415
TOTAL EQUITY		**157,930**	**155,717**	**155,744**

CASH FLOW STATEMENT

Public Trust Office	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts		..	..	..
User charges	33,47	47,452	59,432	47,678
Grants and other contributions		..	..	..
Other	40,48	29,159	28,946	30,865
Outflows:				
Employee costs	49	(41,779)	(41,308)	(44,428)
Supplies and services	34,41,50	(12,883)	(9,564)	(12,211)
Grants and subsidies		(1,066)	(1,066)	(1,103)
Borrowing costs	35,42,51	(12,295)	(11,285)	(13,359)
Other	36,43	(6,411)	(5,406)	(5,203)
Net cash provided by/(used in) operating activities		**2,177**	**19,749**	**2,239**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment	52	..	(24)	6,000
Investments redeemed		..	79,627	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	37,44,53	(7,870)	(1,459)	(8,750)
Payments for investments	38,45,54	(2,922)	(190,084)	23,874
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(10,792)**	**(111,940)**	**21,124**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings	39,46,55	30,887	35,848	27,932
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**30,887**	**35,848**	**27,932**
Net increase/(decrease) in cash held		**22,272**	**(56,343)**	**51,295**
Cash at the beginning of financial year		**77,084**	**66,543**	**10,200**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**99,356**	**10,200**	**61,495**

ADMINISTERED INCOME STATEMENT

Public Trust Office	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Revenues				
Commonwealth grants		..	..	..
Taxes, fees and fines		..	..	..
Royalties, property income and other territorial Revenue		..	..	..
Interest	56,58	786	786	825
Administered revenue		..	..	..
Other		..	..	..
Total revenues		**786**	**786**	**825**
Expenses				
Supplies and services	57,59	43	43	45
Depreciation and amortisation		..	..	..
Grants and subsidies		..	..	..
Benefit payments		..	..	..
Borrowing costs	57,59	743	743	780
Other		..	..	..
Total expenses		**786**	**786**	**825**
Net surplus or deficit before transfers to Government		**..**	**..**	**..**
Transfers of administered revenue to Government		**..**	**..**	**..**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

ADMINISTERED BALANCE SHEET

Public Trust Office	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	60,61	..	(4)	(4)
Receivables		..	..	..
Inventories		..	..	..
Other	60,61	761	(2,681)	(2,681)
Non-financial assets held for sale		..	..	..
Total current assets		**761**	**(2,685)**	**(2,685)**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		..	..	..
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**..**	**..**	**..**
TOTAL ADMINISTERED ASSETS		**761**	**(2,685)**	**(2,685)**
CURRENT LIABILITIES				
Payables		..	..	..
Transfers to Government payable		..	..	..
Interest-bearing liabilities		..	..	..
Other		..	..	..
Total current liabilities		**..**	**..**	**..**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Interest-bearing liabilities		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL ADMINISTERED LIABILITIES		**..**	**..**	**..**
ADMINISTERED NET ASSETS/(LIABILITIES)		**761**	**(2,685)**	**(2,685)**
EQUITY				
Capital/Contributed equity		..	..	..
Retained surplus/(Accumulated deficit)	60,61	761	(2,685)	(2,685)
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL ADMINISTERED EQUITY		**761**	**(2,685)**	**(2,685)**

ADMINISTERED CASH FLOW STATEMENT

Public Trust Office	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Administered item receipts		..	..	..
Grants and other contributions		..	..	..
Taxes, fees and fines		..	..	..
Royalties, property income and other territorial revenues		..	..	..
Other	62,64	786	786	825
Outflows:				
Transfers to Government		..	..	..
Grants and subsidies		..	..	..
Supplies and services	63,65	(43)	(43)	(45)
Borrowing costs	63,65	(743)	(743)	(780)
Other		..	..	..
Net cash provided by/(used in) operating activities		**..**	**..**	**..**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(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/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**..**	**..**	**..**
Administered cash at beginning of financial year		**..**	**..**	**..**
Cash transfers from restructure		..	..	..
Administered cash at end of financial year		**..**	**..**	**..**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. Supplies and Services are below budget as operational costs are being actively managed.
2. The 2010-11 estimated actual depreciation and amortisation expense is lower than the 2010-11 Budget as the capital expenditure has been concentrated more on items with a lower depreciation rate such as land and building refurbishments.
3. Other expenses, which include items such as investment expenditure, travelling expenses and motor vehicle expenses are being actively managed resulting in significant savings.
4. The significant variance between the 2010-11 Budget surplus and the 2010-11 Estimated actual is mainly due to savings in expenditure.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

5. Other revenue is principally comprised of interest revenue which is anticipated to be higher than the 2010-11 budget due to higher than expected Common Fund yields.
6. Employee expenses are expected to increase significantly in line with continuing initiatives that were outlined in the Strategic Plan for 2009-2013.
7. Supplies and Services for 2011-12 are expected to be below the 2010-11 budget as operational costs will continue to be actively managed.
8. The 2011-12 estimate for depreciation and amortisation is greater than the 2010-11 Budget due to an expected increase in capital expenditure.
9. Increased interest payable to clients on funds invested in the Common Fund resulting from an increase in the value of the Common Fund.
10. Other expenses for 2011-12 are expected to be below the 2010-11 budget as other costs will continue to be actively managed.
11. The 2011-12 Estimated surplus is anticipated to be lower than the 2010-11 Budget because of the expected increase in employee costs as the office implements the Strategic Plan for 2009- 2013.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

12. Other revenue is principally comprised of interest revenue which is anticipated to increase in 2011-12 due to expected higher Common Fund yields.
13. Employee expenses are expected to increase significantly in line with continuing initiatives that were outlined in the Strategic Plan for 2009-2013.
14. The increase in supplies and services mainly relates to IT expenses, premises and utility expenses and travel expenses.
15. The 2011-12 Estimate for depreciation and amortisation is greater than the 2010-11 Estimated actual due to an expected increase in capital expenditure.
16. Increased interest payable to clients on funds invested in the Common Fund resulting from an increase in the value of the Common Fund.
17. Other expenses for 2011-12 are expected to be below the 2010-11 estimate as other costs will continue to be actively managed
18. The 2011-12 Estimated surplus is anticipated to be lower than the 2010-11 Estimated actual as the estimated gain on the revaluation of investments as required by AASB139 has not been budgeted in 2011-12.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

19. Decrease in cash as bonds are purchased to take advantage of higher yields for clients.
20. Reflects movement in operational receivables.
21. Increase as bonds are purchased to take advantage of higher yields for clients.
22. Delays in anticipated capital spend.
23. The movements within equity mainly relate to the reclassification of retained surpluses to specific purpose reserves to meet the needs of the Common Fund.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

24. Decrease in cash as bonds are purchased to take advantage of higher yields for clients.
25. Reflects movement in operational receivables.
26. Increase as bonds are purchased to take advantage of higher yields for clients.
27. Delays in anticipated capital spend.
28. The movements within equity mainly relate to the reclassification of retained surpluses to specific purpose reserves to meet the needs of the Common Fund.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

29. Increase in cash mainly due to the maturing of bonds and funds being received from clients.
30. Decrease in financial assets as bonds mature and are returned as cash.
31. Increases due to anticipated capital spend for software.
32. Reflects additional funds being received from clients.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
33. Additional cash received from operational receivables.
34. Supplies and Services are below budget as operational costs are being actively managed.
35. Interest payable to clients is lower in line with lower than expected yields from investments.
36. Other expenses are below budget as costs are being actively managed.
37. Delays in anticipated capital spend.
38. These variances are due to the normal operation of the investments function to meet the strategic asset allocation needs of the Common Fund investments.
39. Represents the inflow/outflow of client funds from/to external financial institutions for investment purposes.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
40. Other revenue is principally comprised of interest revenue which is anticipated to increase due to the higher Common Fund yields.
41. Supplies and Services are below budget as operational costs are being actively managed.
42. Increased interest payable to clients on funds invested in the Common Fund resulting from an increase in the value of the Common Fund
43. Other expenses are below budget as costs are being actively managed.
44. Anticipated increases for 2011-12 as offices are refurbished.
45. These variances are due to the normal operation of the investments function to meet the strategic asset allocation needs of the Common Fund investments
46. Represents the inflow/outflow of client funds from/to external financial institutions for investment purposes.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
47. User charges for 2011-12 are expected to be lower than the 2010-11 Estimated actual and this is mainly due to minimal growth in client numbers.
48. Other revenue is principally comprised of interest revenue which is anticipated to increase due to the higher Common Fund yields.
49. Employee expenses are expected to increase in line with continued initiatives as outlined in the Strategic Plan for 2009-2013.
50. The increase in supplies and services mainly relates to IT expenses, premises and utility expenses and travel expenses.
51. Increased interest payable to clients on funds invested in the Common Fund resulting from an increase in the value of the Common Fund.
52. Expected cash inflow from the sale of buildings.
53. Variance between 2010-11 Estimated actual and 2011-12 Estimate is due to delay of planned capital spending in 2010-11.
54. These variances are due to the normal operation of the investments function to meet the strategic asset allocation needs of the Common Fund investments
55. Represents the inflow/outflow of client funds from/to external financial institutions for investment purposes.

Administered income statement

Major variations between 2010-11 Budget and 2011-12 Estimate include:
56. Interest income is expected to increase due to higher Common Fund yields.
57. Expenses are directly related to total revenue. Therefore higher or lower total revenue equates to higher or lower fees.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
58. Interest income is expected to increase due to higher Common Fund yields.
59. Expenses are directly related to total revenue. Therefore higher or lower total revenue equates to higher or lower fees.

Administered balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
60. Amount for 2010-11 Estimated Actual represents the actual loss on the sale of financial assets in the 2009-10 financial year and was not anticipated when the 2010-11 Budget was set.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
61. Amount for 2011-12 Estimated Actual represents the actual loss on the sale of financial assets in the 2009-10 financial year and was not anticipated when the 2010-11 Budget was set.

Administered cash flow statement

Major variations between 2010-11 Budget and 2011-12 Estimate include:
62. Interest income is expected to increase due to higher Common Fund yields.
63. Expenses are directly related to total revenue. Therefore higher or lower total revenue equates to higher or lower fees.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
64. Interest income is expected to increase due to higher Common Fund yields.
65. Expenses are directly related to total revenue. Therefore higher or lower total revenue equates to higher or lower fees.

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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: − delivery of agreed services − administered item − 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 well being. 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.

For a more detailed Glossary of Terms, please refer to the Reader's Guide available on the Budget website at www.budget.qld.gov.au.

By authority: S. C. Albury, Acting Government Printer, Queensland 2011

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State Budget 2011–12

Service Delivery Statements

Book 3

www.budget.qld.gov.au

Service Delivery Statements

Book 1	Book 2	Book 3	Book 4	Book 5
Department of the Premier and Cabinet	Department of Employment, Economic Development and Innovation	Department of Communities	Legislative Assembly of Queensland	Appendix – Discontinued performance measures
Office of the Governor	Department of Local Government and Planning	Department of Education and Training		
Public Service Commission	Department of Transport and Main Roads	Department of Environment and Resource Management		
Queensland Audit Office	Department of Public Works	Department of Police		
Treasury Department		Department of Justice and Attorney-General		
Department of Health		Electoral Commission of Queensland		
Department of Community Safety		Office of the Ombudsman		
		Public Trust Office		

Queensland Government

State Budget 2011–12

Service Delivery Statements

Book 3

www.budget.qld.gov.au

State Budget 2011–12

Service Delivery Statements

Book 4 – Legislative Assembly of Queensland

Queensland Government

2011–12 State Budget Papers

1. Budget Speech

2. Budget Strategy and Outlook

3. Capital Statement

4. Budget Measures

5. Service Delivery Statements

Budget Highlights

This suite of Budget Papers is similar to that published in 2010–11.

The Budget Papers are available online at www.budget.qld.gov.au. They can be purchased through the Queensland Government Bookshop – individually or as a set – by phoning 1800 801 123 or at www.bookshop.qld.gov.au

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Service Delivery Statements
Book 4
Legislative Assembly of Queensland
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PART 20

Legislative Assembly of Queensland

Summary budget

Agency	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Legislative Assembly	**76,564**	**78,269**	**79,247**

Note:
1. Explanations of variances are provided in the financial statements.

DEPARTMENTAL OVERVIEW

STRATEGIC ISSUES

The Legislative Assembly of Queensland consists of 89 Members who discharge a range of important legislative and constituency responsibilities.

Legislative responsibilities refer to participation in Parliamentary matters including the enactment of legislation, privileged debate on Government policy and administration, and serving on parliamentary committees. Constituency responsibilities arise as each Member, the representative of an electoral district, provides advice and assistance to constituents and acts as an advocate of local interests.

The *Parliamentary Service Act 1988* (the Act) establishes the Parliamentary Service to provide administrative and support services to the Legislative Assembly. The Act outlines the various functions of the Parliamentary Service and also prescribes the role of the Speaker in relation to the management of the Parliamentary Service.

In addition to the functions outlined in the Act, the Parliamentary Service also promotes community engagement with the Parliament, its Committees and Members and provides support services to other external clients under the Shared Services Initiative.

The *Appropriation (Parliament) Act* provides funding to meet the costs associated with Members and the Parliamentary Service.

The *Parliamentary Service Management Plan 2011-2015* outlines the goals and strategic issues facing the Parliamentary Service. The four major goals in the plan are:

- to assist the Parliament, its Committees and Members to fulfill their parliamentary responsibilities
- to support the business needs of the Parliament, Committees, Members, the Parliamentary Service and other clients
- to support the Parliament to engage with all Queenslanders and to play a positive role in the community
- to develop and maintain a professional and progressive Parliamentary Service.

The plan identifies three key environmental factors impacting upon the Parliamentary Service:

- the increasing demands and identified needs of key client groups including the Parliament, its Committees, Members, Government departments, news media, educational institutions, and the wider community
- the emergence of new information and communication technologies
- new community standards in relation to water and energy conservation and material sustainability.

The plan also outlines three key strategies to address these key environmental factors and achieve Parliamentary Service goals:

- to continue to develop strategies for the Parliament to engage with the Queensland community
- to continue to implement improved building and equipment management strategies within the parliamentary precinct and also in electorate offices

- to continue to use emerging technologies as a means of:
  - improving Members' access to information within and between the parliamentary precinct and electorate offices; and
  - facilitating improved communication between Members and constituents.

2011-12 HIGHLIGHTS

In 2011-12, the Parliamentary Service will deliver a range of initiatives including:

- establishing resourcing and administrative support arrangements for the proposed new Parliamentary committee system currently before the House for consideration
- developing and delivering a new training and development program for electorate office staff
- engaging a technical expert to develop appropriate fire protection solutions for Parliament House, thereby addressing one of the key recommendations contained in the 2010 *Parliament House Conservation Plan*
- commissioning a new Parliamentary Library information management system
- initiating a project to replace the current software package utilised by Parliamentary Reporting Services to produce Hansard
- continuing a three-year program to repaint the interior of Parliament House arising from a strategic review of Parliamentary buildings and the 2010 *Parliament House Conservation Plan*
- hosting the 19th Commonwealth Parliamentary Association Australian and Pacific Region Seminar in September 2011.

RECENT ACHIEVEMENTS

In 2010-11, the Parliamentary Service delivered a range of initiatives and infrastructure enhancements including:

- commencement of a three year program to repaint the interior of Parliament House
- expansion of the broadcast of Parliamentary proceedings to include on-call access to archived broadcast footage
- playing a lead role in hosting a regional sitting of Parliament in Mackay in May 2011
- replacement of electorate office computer equipment and upgrade of Internet bandwidth in all electorate offices
- replacement of public toilet facilities on Level 7 of the Parliamentary Annexe
- redevelopment of the Parliament's internet site
- implementation of a range of coordinated energy reduction initiatives across the Parliamentary precinct under the banner of "Target 20 in 2010".

DEPARTMENTAL SERVICES

Funding for the Parliament is provided through the *Appropriation (Parliament) Act*. In 2011-12, the Act will provide funding for the following service areas:

Members' Salaries, Entitlements and Electorate Office Services

Members' Salaries, Entitlements and Electorate Office Services represents the cost of Members' salaries and entitlements and maintaining and supporting electorate offices across the State.

The *Members' Entitlements Handbook* and the *Members' Office Support Handbook* are approved by the Governor-in-Council and outline the salaries and other entitlements of Members of the Legislative Assembly, as well as the entitlements of former Members.

The *Members' Office Support Handbook* states that each Member is provided with an electorate office to support activities in servicing their electorate. Those Members representing an electoral district of 100,000 square kilometres or more in area may elect to be provided with an additional electorate office. The Handbook also provides for a range of other resources to support the operation of each electorate office including staffing, equipment, telecommunications and stationery. All of these resources provide support to Members to enable them to fulfill their constituency responsibilities.

Parliamentary Precinct Support Services

Parliamentary Precinct Support Services delivers:

- a range of advisory, information and community engagement services to assist the Parliament, its committees and Members to fulfill their constitutional and Parliamentary responsibilities and engage with the community. These services include Chamber Services, Security and Attendant Services, the Committee Office, the Parliamentary Library, Parliamentary Reporting Service and Community Engagement Services
- a range of accommodation and hospitality services within the parliamentary precinct to provide Members, staff and guests of the Parliament with an appropriate working environment
- a range of organisational support services that directly support the activities of Members and their staff including information technology, human resource, financial and administrative services.

STAFFING[1]

Service areas	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
Service areas				
Members' Salaries, Entitlements and Electorate Office Services	2	272	272	272
Parliamentary Precinct Support Services		192	193	193
Total		**464**	**465**	**465**

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. Includes all 89 Members of the Legislative Assembly, electorate officers and assistant electorate officers.

2011-12 SERVICE SUMMARY[1]

Service areas	Total cost $'000	Sources of revenue			
		State Contribution $'000	User charges $'000	C'wealth revenue $'000	Other revenue $'000
Members' Salaries, Entitlements and Electorate Office Services	45,491	45,491	..	..	..
Parliamentary Precinct Support Services	33,756	31,359	2,318	..	79
Total	**79,247**	**76,850**	**2,318**	..	**79**

Note:
1. Explanations of variances are provided in the financial statements.

DEPARTMENTAL STATEMENTS

PERFORMANCE STATEMENT

Service standards	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Members' Salaries, Entitlements and Electorate Office Services				
	1			
State contribution ($000)		44,453	45,894	45,491
Other revenue ($000)		..	..	..
Total cost ($000)		44,453	45,894	45,491
Service Area: Parliamentary Precinct Support Services				
Service standards				
Percentage of Members satisfied with services provided (satisfied/very satisfied)		95%	100%	95%
Percentage of Shared Services clients satisfied with services provided (satisfied/very satisfied)		95%	100%	95%
Other Measures				
Number of Questions on Notice processed		1,500	2,400	2,200
Number of tabled papers and reports registered and archived		2,000	2,200	2,000
Number of Parliamentary committee briefings provided (reports tabled)		400 (60)	250 (60)	300 (50)
Internet publication of the first two hours of proceedings (Hansard) by 2pm each sitting day		100%	98%	100%
Number of Library client information briefs prepared		700	700	700
Percentage of Library information and research responses issued within agreed timeframes		98%	98%	98%
Number of community engagement and educational activities held (attendees)		110 (5,000)	110 (5,000)	110 (5,000)
Number of precinct visitors processed through security scanning procedures		75,000	75,000	75,000
Percentage of planned capital works projects completed	2	95%	75%	95%
Number of catered functions held (attendees)		910 (45,000)	910 (45,000)	910 (45,000)
Percentage accuracy in payroll processing		99%	99%	99%

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Percentage of external suppliers paid in accordance with trading terms		100%	85%	90%
Percentage of domestic travel requests confirmed within one working day		90%	95%	95%
Percentage of IT Service Desk calls resolved within two hours of request		70%	75%	70%
Percentage availability of full IT Network resources		99%	99%	99%
State contribution ($000)		29,931	29,931	31,359
Other revenue ($000)		2,180	2,444	2,397
Total cost ($000)		32,111	32,375	33,756

Notes:

1. Service Standards for Members' Salaries, Entitlements and Electorate Office Services are not provided here. The amounts shown represent direct expenditure associated with salaries, the Members' Entitlements Handbook and the management of electorate offices. Each Electorate Office operates independently under the direction of each Member. Individual Members assess the performance of their office(s) based upon the needs of that Member in servicing local constituents.
2. Actual completion of planned capital works projects less than 2010-11 target due to-
   a) impact of January 2011 Brisbane floods requiring reprioritisation of other planned capital works; and
   b) unforseen failure of air conditioning plant and associated repairs requiring reprioritisation of other planned capital works.

   All deferred projects are considered low risk and will be completed in 2011-12.

INCOME STATEMENT

Legislative Assembly	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue	1,5,9	74,384	75,825	76,850
User charges		2,180	2,245	2,318
Grants and other contributions		..	199	79
Other revenue		..	..	..
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**76,564**	**78,269**	**79,247**
Expenses				
Employee expenses	2,6,10	52,385	52,971	54,090
Supplies and services	3,7	17,364	17,899	17,758
Grants and subsidies		..	..	..
Depreciation and amortisation	4,8	6,693	7,277	7,277
Finance/borrowing costs		..	..	..
Other expenses		122	122	122
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**76,564**	**78,269**	**79,247**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

STATEMENT OF CHANGES IN EQUITY

Legislative Assembly	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments	11	..	924	..
Increase/(decrease) in asset revaluation reserve	12	11,653	8,052	8,562
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**11,653**	**8,976**	**8,562**
Surplus/(deficit) for the period		..	..	..
Total recognised income and expense for the period		**11,653**	**8,976**	**8,562**
Equity injection/(withdrawal)		(4,139)	(4,723)	(4,829)
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**7,514**	**4,253**	**3,733**

BALANCE SHEET

Legislative Assembly	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	13,20	(174)	478	478
Receivables	14,21	1,344	1,151	1,151
Other financial assets		..	..	..
Inventories		186	207	207
Other	15,22	616	395	395
Non-financial assets held for sale		..	..	..
Total current assets		**1,972**	**2,231**	**2,231**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	16,23,28	285,969	267,217	270,950
Intangibles		173	256	256
Other		..	..	..
Total non-current assets		**286,142**	**267,473**	**271,206**
TOTAL ASSETS		**288,114**	**269,704**	**273,437**
CURRENT LIABILITIES				
Payables	17,24	2,063	1,435	1,435
Accrued employee benefits	18,25	446	1,063	1,063
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**2,509**	**2,498**	**2,498**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		4,822	4,668	4,668
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**4,822**	**4,668**	**4,668**
TOTAL LIABILITIES		**7,331**	**7,166**	**7,166**
NET ASSETS/(LIABILITIES)		**280,783**	**262,538**	**266,271**
EQUITY				
Capital/contributed equity	26,29	(20,602)	(21,186)	(26,015)
Accumulated surplus/(accumulated deficit)		51,326	51,862	51,862
Reserves:				
- Asset revaluation surplus	19,27,30	250,059	231,862	240,424
- Other (specify)		..	..	..
TOTAL EQUITY		**280,783**	**262,538**	**266,271**

CASH FLOW STATEMENT

Legislative Assembly	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts	31,35,39	74,384	75,825	76,850
User charges		2,330	2,395	2,468
Grants and other contributions		..	199	79
Other		1,377	1,377	1,377
Outflows:				
Employee costs	32,36,40	(52,385)	(52,971)	(54,090)
Supplies and services	33,37	(18,741)	(19,276)	(19,135)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(272)	(272)	(272)
Net cash provided by/(used in) operating activities		**6,693**	**7,277**	**7,277**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		33	33	33
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		(2,587)	(2,587)	(2,481)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(2,554)**	**(2,554)**	**(2,448)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	(584)	(584)
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	34,38	(4,139)	(4,723)	(4,829)
Net cash provided by/(used in) financing activities		**(4,139)**	**(4,723)**	**(4,829)**
Net increase/(decrease) in cash held		**..**	**..**	**..**
Cash at the beginning of financial year		**(174)**	**478**	**478**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**(174)**	**478**	**478**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. Increase in service revenue associated with:
   - increases to Members' salaries and allowances;
   - additional funding to meet electorate office leasing costs; and
   - additional depreciation funding in respect of Parliamentary buildings.
2. Increase in employee expenses due to increases to Members' salaries and allowances.
3. Increase in supplies and services mainly due to increase in electorate office leasing costs.
4. Increase in depreciation and amortisation due to increase in depreciation costs attributed to Parliamentary buildings.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

5. Increase in service revenue reflects:
   - funding for employee costs associated with the current Enterprise Bargaining agreement;
   - funding for increases to Members' salaries and allowances;
   - additional funding to meet electorate office leasing costs; and
   - additional depreciation funding in respect of Parliamentary buildings.
6. Increase in employee expenses due to:
   - employee costs associated with the current Enterprise Bargaining agreement; and
   - increases to Members' salaries and allowances.
7. Increase in supplies and services due to additional electorate office leasing costs. This has been offset in part by a reduction in the value of proposed non-capitalised equipment purchases in 2011-12.
8. Increase in depreciation and amortisation due to increase in depreciation costs attributed to Parliamentary buildings.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

9. Increase in service revenue principally due to funding for employee costs associated with the current Enterprise Bargaining agreement.
10. Increase in employee expenses principally due to employee costs associated with the current Enterprise Bargaining agreement.

Statement of changes in equity

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

11. Increase is associated with prior year adjustments due to capitalisation of electorate office relocations for the first time in 2009-10.
12. Decrease in asset revaluation reserve due to revised index for estimated land and building revaluation, which comes into effect in June 2011.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

13. Increase in cash assets due to:
   - the timing of invoices related to capital works in progress in June 2010; and
   - the timing of other receivables and payables settled in June 2010.
14. Decrease in receivables related to reduction in long service leave reimbursements due in June 2010.
15. Decrease in prepayments associated with timing of the final fortnightly payroll disbursed in June 2010.
16. Decrease in property, plant and equipment due to a decrease in the estimated land and building indexation performed in June 2010.
17. Decrease in payables associated with timing of invoices associated with building maintenance and capital works in progress at June 2010.
18. Increase in accrued employee benefits associated with annual leave payable as at 30 June 2010.
19. Decrease in asset revaluation reserve relates to a decrease in the estimated value of land and building indexation performed in June 2010.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

20. Increase in cash assets due to:
   - the timing of invoices related to capital works in progress in June 2010; and
   - the timing of other receivables and payables settled in June 2010.
21. Decrease in receivables related to reduction in long service leave reimbursements due in June 2010.
22. Decrease in prepayments associated with timing of the final fortnightly payroll disbursed in June 2010.
23. Decrease in property, plant and equipment due to a decrease in the estimated land and building indexation performed in June 2010. This decrease is offset in part by expected increase in asset values following revaluation in June 2012.
24. Decrease in payables associated with timing of invoices associated with building maintenance and capital works in progress at June 2010.
25. Increase in accrued employee benefits associated with annual leave payable as at 30 June 2010.
26. Decrease in capital/contributed equity due to equity withdrawal to be applied in 2011-12.
27. Decrease in asset revaluation reserve relates to a decrease in the estimated value of land and building indexation performed in June 2010. The net decrease is offset in part by the estimated June 2012 revaluation.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
28. Increase in property, plant and equipment reflects estimated indexation of Land and Buildings to be performed in June 2012. The net increase is reduced by an equity withdrawal to Government in 2011-12.
29. Decrease in contributed equity due to equity withdrawal to be applied in 2011-12.
30. Increase in asset revaluation reserve reflects estimated indexation of Land and Buildings to be performed in June 2012.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
31. Increase in service receipts reflects:
    - increases to Members' salaries and allowances;
    - additional funding to meet electorate office leasing costs; and
    - additional depreciation funding in respect of Parliamentary buildings.
32. Increase in employee costs outflows due to increases to Members' salaries and allowances.
33. Increase supplies and services outflows principally due to increase in electorate office leasing costs.
34. Increase in equity withdrawal outflows reflects increased building depreciation funding returned to Government.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
35. Increase in service receipts due to:
    - funding for employee costs associated with the current Enterprise Bargaining agreement;
    - funding for increases to Members' salaries and allowances;
    - additional funding to meet electorate office leasing costs; and
    - additional depreciation funding in respect of Parliamentary buildings.
36. Increase in employee costs outflows associated with:
    - the current Enterprise Bargaining agreement;
    - increases to Members' salaries and allowances effective from 1 January 2010; and
    - electorate office staff training
37. Increase in supplies and services outflows mainly due to increase in electorate office leasing costs.
38. Increase in equity withdrawal outflows reflects increased building depreciation funding returned to Government.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
39. Increase in service receipts principally due to funding for employee costs associated with the current Enterprise Bargaining agreement.
40. Increase in employee costs outflows principally due to employee costs associated with the current Enterprise Bargaining agreement.

By authority: S. C. Albury, Acting Government Printer, Queensland 2011

State Budget 2011–12

Service Delivery Statements

Book 4

Legislative Assembly of Queensland

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Service Delivery Statements

Book 1	Book 2	Book 3	Book 4	Book 5
Department of the Premier and Cabinet	Department of Employment, Economic Development and Innovation	Department of Communities	Legislative Assembly of Queensland	Appendix – Discontinued performance measures
Office of the Governor	Department of Local Government and Planning	Department of Education and Training		
Public Service Commission	Department of Transport and Main Roads	Department of Environment and Resource Management		
Queensland Audit Office	Department of Public Works	Department of Police		
Treasury Department		Department of Justice and Attorney-General		
Department of Health		Electoral Commission of Queensland		
Department of Community Safety		Office of the Ombudsman		
		Public Trust Office		

Queensland Government

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State Budget 2011–12

Service Delivery Statements

Book 5 – Appendix

Queensland Government

2011–12 State Budget Papers

1. Budget Speech

2. Budget Strategy and Outlook

3. Capital Statement

4. Budget Measures

5. Service Delivery Statements

Budget Highlights

This suite of Budget Papers is similar to that published in 2010–11.

The Budget Papers are available online at www.budget.qld.gov.au. They can be purchased through the Queensland Government Bookshop – individually or as a set – by phoning 1800 801 123 or at www.bookshop.qld.gov.au

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Discontinued Performance Measures

Foreword

To improve accountability for performance, agencies review their service structures and performance information each year to ensure that the information presented in the Service Delivery Statements remains relevant and reflects better practice.

Estimated actual results for continuing and new performance measures for each agency are included in the body of the Service Delivery Statements.

Performance measures included in the 2010-11 Service Delivery Statements that have been discontinued or replaced by better measures are reported in this Appendix with estimated actual results. Common reasons for the discontinuation of measures are that they do not demonstrate the efficiency or effectiveness of the service or are no longer relevant measures of the agency's services.

Entities that have not discontinued performance measures are not included in this Appendix.

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Department of the Premier and Cabinet

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Government and Executive Support Service				
Percentage of RTI applications processed within statutory timeframes	1	100%	100%	Discontinued measure
Level of satisfaction by Executive Managers with the identification of opportunities to promote Queensland	2	85%	..	Discontinued measure
Percentage of requests for information released administratively	3	..	..	Discontinued measure
Service Area: Legislative Drafting, Advisory and Information Service				
High proportion of deadlines met: Percentage of agreed deadlines met for: Printed publications - other deadline		90%	90%	Discontinued measure

Notes:
1. The department has consistently achieved a 100% result for this measure and the previous related Freedom of Information measure. This measure was deleted as it provides limited value to stakeholders.
2. Limited stakeholders were able to comment on this measure. The definition will be wrapped up into the Strategic Plan performance indicator of *Premier's satisfaction with the quality of advice and support provided* which will be reported in the Annual Report.
3. This measure was deleted as the nature of the department's business results in very few requests for the release of information that can be managed administratively.

Library Board of Queensland

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Items in the collection State reference and heritage collections:	1,2	2,095,000	2,115,000	Discontinued measure
• Physical items	2	2,010,000	2,031,000	Discontinued measure
• Items digitised by the State Library	2,5	66,000	65,000	Discontinued measure
• Online titles in statewide databases	3	19,000	20,000	Discontinued measure
Queensland public libraries lending collection (physical items)	4,5	490,000	457,000	Discontinued measure
Additions to the collection State reference and heritage collections:		42,000	39,000	Discontinued measure
• Physical items	6,7	35,000	33,000	Discontinued measure
• Items digitised by the State Library	6,7	7,000	6,000	Discontinued measure
Queensland public libraries lending collection (physical items)	3	32,000	35,000	Discontinued measure
Visits Page requests to the website	8	17,000,000	17,459,000	Discontinued measure
Percentage of complex reference inquiries fulfilled within timeframes set by client service standards	9	90%	92%	Discontinued measure
Percentage of complex reference inquiries from regional Queensland	9	20%	21%	Discontinued measure

Notes:
1. Total figures may not equal the sum of the individual figures due to rounding.
2. These measures have been discontinued as they do not usefully inform about the development of collections further than the continuing measure, *Growth of the State collection*.
3. This measure has been discontinued as the value of this collection is better represented by the continuing measure, *Usage of the State collection and subscription databases*.
4. These measures have been discontinued as the value of this collection is better represented by the continuing measure *Usage of the Queensland public libraries lending collection*.
5. Variance between the 2010-11 Target/estimate and 2010-11 Estimated actual is due to the progressive transfer of this collection to local government-owned public libraries.
6. These measures have been discontinued as they roll up into the continuing measure, *Growth of the State collection*.
7. Variances between 2010-11 Target/estimate and 2010-11 Estimated actual are due to disruptions to acquisitions and the digitisation program caused by the 2011 Brisbane flood event.
8. This measure has been replaced by the new measure, *Visits to the State Library – Online* which indicates unique visits to the website.
9. These measures have been discontinued as their object, traditional reference services, has declined in importance as a mode of service delivery.

South Bank Corporation

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Assess customer and stakeholder satisfaction by: • Days of collaborative projects completed with customers	1	250 days	320 days	Discontinued measure

Note:
1. This measure has been combined within the continuing measure of days of collaborative events and activities completed with partners to provide a clearer measure of place activation.

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Office of the Governor

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Personal, administrative and logistical support to the Governor and management of the Government House Estate				
Percentage of works projects accord with Government House Conservation Plan	1	90%	90%	Discontinued measure
Percentage that the working and accommodation environment is safe and secure	1	100%	100%	Discontinued measure

Note:
1. These measures were revised or deleted as they were not an adequate measure of efficiency and effectiveness.

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Treasury Department

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Financial and economic policy				
Number of written pieces of portfolio resource allocation advice provided	1	1,600	1,600	Discontined measure
Number of written pieces of economic and inter-governmental relations advice provided	1	450	450	Discontinued measure
Number of written pieces of fiscal, taxation policy and financial management advice provided	1	450	450	Discontinued measure
Number of written pieces of infrastructure policy advice provided	1	540	540	Discontinued measure
Cost of economic and inter-governmental relations advice	2	$0.7 million	$0.7 million	Discontinued measure
Cost of fiscal, taxation policy and financial management advice	2	$5 million	$4.9 million	Discontinued measure
Cost of infrastructure policy advice	2	$4.2 million	$3.7 million	Discontinued measure
Service Area: GOC Performance and governance				
Number of GOC Statements of Corporate Intent (SCI) completed	3	15	15	Discontined measure
Service Area: Economic and statistical research				
Revenue from fee-for-service outputs	4	$4.9 million	$4.9 million	Discontinued measure
Service Area: Revenue management				
Legislative program, revenue policy advice, briefings and ministerial correspondence within deadline	5	90%	83%	Discontinued measure

Notes:
1. These measures reflected the level of volume or activity rather than performance and have been discontinued.
2. Similar measures have been consolidated as a new measure.
3. This measure reflected the level of volume or activity rather than performance and has been discontinued.
4. This measure indicated the value of provision of services on a cost-recovery basis rather than performance and has been discontinued.
5. This measure reflected the service area's conformation to specified timeframe rather than performance and has been discontinued.

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Department of Health

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Acute Care				
Percentage of clinical indicator VLAD reviews (triggered as a result of variation from State average) completed within approved timeframes	1	100%	50%	Discontinued measure

Note:

1. Variable Life Adjusted Displays (VLADs) are a monitoring tool providing opportunity for improving the quality of services provided. Variance from the 2010-11 Estimated actual to the 2010-11 Target/estimate is due to the variable maturity of District VLAD investigation and reporting processes. There was a total of 129 Lower Level VLADs flagged in this period. Hospitals have developed their own policy on conducting an investigation in conjunction with the governing VLAD Implementation Standard describing the mandatory auditable requirements regarding the dissemination of VLAD. Monthly dissemination of hospital performance on 30 clinical indicators to public and private hospitals commenced March 2007.

Health Quality and Complaints Commission

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Number of enquiries and complaints closed	1	4,300	4,400	Discontinued measure
Number of investigations closed	2	50	65	Discontinued measure

Notes:
1. Service standard discontinued as it is a measure of activity not a measure of quality or effectiveness.
2. Service standard has been discontinued and replaced with the new service standard *Percentage of investigations closed within 12 months*.

Department of Community Safety

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Emergency Management Services				
EMQ Helicopter Rescue engine hours as a percentage of the total helicopter rescue network engine hours	1	40%	..	Discontinued measure
Service Area: Fire and Rescue Services				
Number of system initiated false alarms	2,3	< 24,000	22,624	Discontinued measure
Number of hazardous materials incidents	2,4	< 600	310	Discontinued measure

Notes:
1. Discontinued as the administrative responsibility for managing community helicopter providers was transferred to Queensland Health from 1 July 2010. Therefore, there is no 2010-11 Estimated actual result available.
2. Discontinued to reduce the reliance on activity and demand based measures in the SDS. These key measures will continue to be monitored internally and reported in the Annual Report and Report on Government Services (RoGS).
3. This measure reports the number of system initiated false alarms responded to by urban and volunteer Queensland Fire and Rescue Service personnel. Despite an increase in false alarms across regions affected by wet weather in 2010-11, the total number of false alarms reduced as a result of the rollout of a new alarm solution and ongoing work with building owners who have high alarm frequencies.
4. Hazardous materials incidents include chemical spills, harmful gas leaks, radiological contamination, explosions, and spills of petroleum and petroleum products. As this measure will continue to be reported in RoGS, data capture processes are under review to ensure consistency with the RoGS definition.

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Department of Employment, Economic Development and Innovation

	Notes	2010-11 Target/Est.	2009–10 Est. Actual	2010–11 Target/Est.
Service Area: Infrastructure, Land and Project Development				
Percentage of Queensland population receiving fluoridated drinking water supply within SEQ	1	..	..	Discontinued measure
Community and environmental groups' level of satisfaction with the sustainability of decisions on departmental infrastructure projects during the year	2	75%	..	Discontinued measure
Number of State infrastructure projects being progressed or delivered (including projects associated with major strategies and plans) to meet committed Government outcomes	3	75	71	Discontinued measure
Service Area: Mines and Energy				
Value of collaborative government – industry research programs attracted	4	$10 million	$10.1 million	Discontinued measure
Strategic partnerships maintained by the Office of Clean Energy	5,6	16	22	Discontinued measure
Initiatives implemented/projects facilitated by the Office of Clean Energy that will contribute towards increased investment in Queensland's renewable energy generation and fuels capacity	6,7	20	23	Discontinued measure
Estimated value of efficiency savings or new business generated by businesses assisted by DEEDI	8,9	$40 million	$200 million	Discontinued measure
Number of businesses involved in DEEDI facilitated alliances, partnerships, industry networks, supply chains, clusters etc.	10,11	400	216	Discontinued measure
Proportion of assisted firms reporting improved performance following DEEDI funded innovation and capacity development activities	12	70%	80%	Discontinued measure

	Notes	2010-11 Target/Est.	2009–10 Est. Actual	2010–11 Target/Est.
Service Area: Science, Agriculture, Food and Regional Services				
Market access for Queensland agricultural products maintained or reopened by negotiation, certification or additional surveillance	13	100%	100%	Discontinued measure
Training and extension activities supporting innovation adoption:	14			
• number of activities delivered		700	700	Discontinued
• number of participants engaged		6,700	6,800	measure
Business Information Centre enquiries	15	100,000	101,200	Discontinued measure
'Hard' infrastructure (Buildings, precincts, equipment etc)	16	$260 million	$254.8 million	Discontinued measure
Funding leveraged from other sources supporting Queensland Government funding of 'hard' infrastructure	16	$160 million	$164.7 million	Discontinued measure

Notes:

1. This service standard is discontinued for 2011-12 as the activity being measured was fully completed during 2009–10.
2. This Service Standard has been removed as the satisfaction of the community and environmental groups is measured by "Industry, key stakeholders and community groups level of satisfaction with the timeliness and subsequent quality of outcomes from the economic projects and programs delivered during the year:
   - Satisfaction
   - Timeliness.

   Survey results were not available at time of publication.
3. This Service Standard has been removed as the target is simply a tally of projects (public and private) facilitated by the Office of the CG. For 2010-11, as only 4 of these are Government projects, this figure is for the most part, determined by private sector investment decisions – over which the Office of the Coordinator General has no control.
4. Discontinued service standard for 2011-12. This Service Standard will be deleted due to the cessation of the Industry Network Initiative under the Smart Mining-Future Prosperity Program.
5. The increased estimated actual is due to an increased uptake in partnerships due to industry recognising potential economic opportunities.
6. Discontinued service standard for 2011-12. This service standard was developed to measure the effectiveness of the Office of Clean Energy in its establishment stage. It is considered to be no longer relevant as it is a very operational service standard.
7. Discontinued service standard for 2011-12. This service standard is replaced by a new service standard: *Number of initiatives and projects facilitated that drive clean energy and energy efficiency solutions for Queensland to better reflect all service delivery provided by the Office of Clean Energy*.
8. The 2010-11 Estimated actual has increased due to larger investment and business opportunities that have resulted from the Tilt Train contract announced in October 2010.
9. This service standard will be reported through Employment, Economic Development and Innovation in 2011-12.
10. The decreased Estimated actual is the result of the Federal Government deferring their Carbon Pollution Scheme which impacted demand for this service by business.
11. Discontinued service standard for 2011-12. This relates to phase one of the Climate Smart Business Service Program completed in 2010-11. This measure has not been deleted from the DEEDI Service standards – it remains with the Science, Agriculture, Food and Regional Services service area and Employment and Economic Development service area.
12. Discontinued service standard for 2011-12. This relates to the transfer of Office of Advanced Manufacturing activities from Mines and Energy service area to the Employment and Economic Development service area. This measure has not been deleted from the DEEDI Service standards – it remains with the Science, Agriculture, Food and Regional Services and Employment and Economic Development service areas.
13. This service standard is influenced by a range of factors beyond the control and influence of the Queensland Government and as such is difficult to measure accurately and fails to reflect the services that the department provides. The service standard has therefore been discontinued.
14. This service standard is being replaced with the following service standards:
   - *The number of structured programs/activities helping businesses build their capacity, improve their performance and /or access opportunities*
   - *The number of business participants in structured development activities.*
15. This service standard is being replaced with the following service standard: *Information transactions and packages provided* in 2011-12.
16. Discontinued service standard for 2011-12. The projects that contributed to this service standard were finalised in 2010-11.

Tourism Queensland

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Value of media and publicity generated by Tourism Queensland's activities in domestic and international markets	1	$434 million	..	Discontinued measure
Number of Queensland Tourism Strategy initiatives implemented	1	60	..	Discontinued measure
Number of subscribers to email database from market activity	1	440,000	..	Discontinued measure

Notes:

1. A review of service standards within agencies was facilitated by the Performance Management Unit within the Department of Premier and Cabinet. Under their guidance, Tourism Queensland has reviewed its service standards for the 2011-12 financial year and beyond. This review was timely given that Tourism Queensland's Performance Management Framework (an action in the Tourism Action Plan to 2012) was implemented in the 2010-11 financial year to measure the effectiveness of tourism marketing activities.
   In early 2011 Tourism Queensland's proposed service standards and targets for 2011-12 were approved by both Tourism Queensland's Board and the Minister for Tourism.

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Department of Local Government and Planning

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Planning				
Development of a land inventory system to support monitoring and reporting on progress toward the Q2 green target (land inventory system to support monitoring and reporting progress to achieve the Q2 target to protect 50% more land for nature conservation and public recreation).	1	100%	100%	Discontinued measure
Delivery of approved program of strategic land use and infrastructure projects within agreed timeframes.	2	100%	100%	Discontinued measure
Service Area: Local Government				
Percentage of targets achieved in the strategy addressing significant issues in the Queensland Auditor-General's Annual Report	3	90%	81%	Discontinued measure
Percentage of Local Governments considered to be sustainable in accordance with Local Government performance measurement and reporting standards	4	100%	100%	Discontinued measure

Notes:

1. During 2010-11 the department completed the land inventory system and developed a Land for Public Recreation System website which will be launched early next financial year. With this task completed the service standard is being replaced with one new service standard to monitor the increase in Land for Public Recreation.
2. The department fully achieved its program of strategic land use and infrastructure projects during 2010-11. This included 9 headline strategic planning infrastructure projects and associated milestones. Following a restructure to fully integrate the Growth Management Queensland responsibilities within the department, this service standard is replaced by two new service standards.
3. As a result of the 2009 Auditor-General's report the department's strategy was to provide intensive support to Indigenous councils to assist them in meeting their financial reporting obligations. Although the targets were not met there has been significant improvement in the performance of Indigenous councils in relation to their financial reporting requirements. The reason why this target was not achieved was that it was based upon the actions of local governments over which the department had no direct control. As the Auditor-General's annual report deals with the financial returns of councils from the previous year, this measure is a 'lag' indicator and is being replaced by more reliable internal operational monitoring.
4. The 16 Indigenous local governments entered the financial sustainability evaluation process for the first time in 2010. This measure is being replaced by a new measure from 2011-12 which reflects the increased rigor in financial sustainability responsibilities resulting from changes to the *Local Government Act 2009*.

Urban Land Development Authority

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Interim Land Use Plans (ILUP) Approved	1	5	7	Discontinued measure
Community Engagement forums held in declared UDAs	2	6	89	Discontinued measure
Inquiries responded to in a timely manner		95%	95%	Discontinued measure
Development Schemes approved within the legislated timeframes		4	5	Discontinued measure
Development applications processed within approved timeframes		100%	100%	Discontinued measure
Interim Land Use Plans for a UDA outside SEQ		4	3	Discontinued measure
Development Schemes for UDAs outside SEQ	3	..	4	Discontinued measure

Notes:
1. The 2010-11 Estimated actual of seven Interim Land Use Plans increased due to additional UDAs being declared.
2. The 2010-11 Target/estimate of six community engagement forums was exceeded due to additional UDAs being declared and further engagement within existing UDAs. This included operating an information centre at Caloundra which was open 4 days a week for a total of 16 hours per week.
3. The 2010-11 Estimated actual of four Development Schemes for UDAs outside SEQ is due to additional UDAs being declared.

Department of Transport and Main Roads

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Transport system planning				
Total value of transport studies and investigations ($ million)	T,1	119	101.5	Discontinued measure
Service Area: Transport infrastructure delivery				
Transport Infrastructure Development Scheme (TIDS) funding ($ million)	R	64.2	64.2	Discontinued measure
Black Spot – Australian Government funding on local government roads ($ million)	R	12.1	12.1	Discontinued measure
Service Area: Transport system management, operation and regulation				
Compliance officer hours on-road	T	74,155	76,000	Discontinued measure
Road transport greenhouse gas emissions (1,000 tonnes, CO_2 eq) per 100,000 population	T	385	377	Discontinued measure
Percentage of national road transport reforms implemented within specified timeframes	T	100	100	Discontinued measure
Number of hours of compliance activity directed at public transport-related target groups	T,2	14,300	14,300	Discontinued measure
Service Area: Transport safety				
Number of fatal crashes on State-controlled roads per 100 million vehicle kilometres travelled	R	..	0.52	Discontinued measure

Notes:
R Denotes service standards and other measures for the Minister for Main Roads, Fisheries and Marine Infrastructure.
T Denotes service standards and other measures for the Minister for Transport and Multicultural Affairs.
1. Extreme weather conditions experienced in December 2010 and January 2011 caused significant delays in the delivery of a number of planning projects as regional resources were diverted to restoration works over this period.
2. Excludes Taxi Compliance Unit hours.

TransLink Transit Authority

	Notes	2010-11 Target/est.	2010-11 Est. Actual	2011-12 Target/est.
Number of vehicle service kilometres in contract areas	1			
• Bus		95,848,524	98,045,548	Discontinued
• Rail	2	66,986,700	64,534,835	measure
Total passenger "place" kilometres (millons)	3			
• Bus		5,942	6,079	Discontinued
• Rail	2	8,373	8,067	measure

Notes:
1. The measure for bus is based on the total number of in service kilometres across the TransLink contracted fleet. Correspondingly for rail, the measure applies to the total number of single carriages. Trains across the network may consist of a variable numbers of carriages.
2. Decrease in rail service kilometres and rail place kilometres due to rolling out of Ipswich to Caboolture rail timetable change being deferred to 6 June 2011 as a result of flooding.
3. "Place" kilometres are a measure of capacity provided on the network for both bus and rail. The measure is calculated by multiplying the average vehicle capacity by the service kilometres for the year. This is then divided by 1,000,000 to give the resultant figure as place kilometres (millions). Average capacity both seated and standing for bus is 62; for rail it is125 per carriage.

Department of Public Works

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Building Services				
Electricity consumption for office buildings greater than 9,000m^2 (Net lettable area) in the owned office portfolio	1	≤250	235	Discontinued measure
Water use for owned office buildings between 9,000m^2 and 18,000m^2 (Net lettable area)	2	≤15	13.5	Discontinued measure
Water use for owned office accommodation >18,000m^2 (Net lettable area)	2	≤15	14.2	Discontinued measure
Reduction in CO_2 emissions due to waste not going to landfill	3	≥425	430	Discontinued measure
Average number of pre-qualified contractors registered on the Prequalification System available for selection by agencies	4,5	Not less than 500	1000	Discontinued measure
Average number of pre-qualified consultants registered on the Prequalification System available for selection by agencies	4,5	Not less than 350	610	Discontinued measure
Manage government funded programs that focus on the built environment	6	Program of completed works on time, within budget and in accordance with agreed program outcomes	100% completed	Discontinued measure
Service Area: Queensland Government Information and Communication Technology Services				
Level of client satisfaction with QSA services	7	95%	95%	Discontinued measure
ICT Industry Associations' satisfaction rating with QGCIO services and collaboration	8	>90%	85.7%	Discontinued measure
Percentage of targeted QGCIO products and services adopted by agencies	9	85% adoption averaged	>90% adoption	Discontinued measure

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Effective coordination of ICT Government Initiative activities across Government	10	Inter-program dependencies agreed, aligned and managed	Inter-program dependencies agreed, aligned and manage	Discontinued measure

Notes:
1. The measure of electricity consumption for office buildings greater than 9,000m^2 (Net lettable area) in the owned office portfolio has been replaced by a more effective measure of carbon reduction.
2. The measures of water use for owned office buildings between 9,000m^2 and 18,000m^2 (Net lettable area) and water use for owned office accommodation >18,000m^2 (Net lettable area) have been removed as they are based around a specific issue (water shortage) that is no longer a significant concern to the community.
3. The measure of reduction in CO_2 emissions due to waste not going to landfill has been removed as it only applies to a very specific area of carbon reduction, which is not significant in relation to other carbon reduction initiatives being undertaken across the department.
4. The measures of average number of pre-qualified contractors registered on the Prequalification System available for selection by agencies and average number of pre-qualified consultants registered on the Prequalification System available for selection by agencies are being discontinued as they rely on point in time data that does not necessarily indicate efficiency or effectiveness.
5. The increase in the 2010-11 Estimated actual from the 2010-11 Target/estimate for average number of pre-qualified contractors registered on the Prequalification System available for selection by agencies and average number of pre-qualified consultants registered on the Prequalification System available for selection by agencies is due to the response of contractors and consultants pre-qualifying to be eligible to participate in the Building the Education Revolution element of the Australian Government's Nation Building–Economic Stimulus Plan (NB-ESP).
6. The measure of manage government funded programs that focus on the built environment is being discontinued as the majority of these programs have now been completed.
7. The measure of level of client satisfaction with QSA services is to be discontinued as the new measure relating to customer satisfaction with historical record services is being developed in accordance with Whole-of-Government client satisfaction guidelines.
8. The measure of ICT Industry Associations' satisfaction rating with QGCIO services and collaboration is no longer being continued as appropriate elements will be included in the new client satisfaction measure.
9. The measure of percentage of targeted QGCIO products and services adopted by agencies is being discontinued and replaced by a measure of agency alignment to government policies, positions and targets (refer note 8).
10. The measure of effective coordination of ICT Government Initiative activities across Government is to be discontinued as the ICT Governance Initiative has been implemented and is now superseded by *Toward Q2 through ICT*.

QBuild

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Certification of Quality Assurance and Environmental Systems	1	Certification maintained	Certification maintained	Discontinued measure
Project Competency – Workplace Health and Safety Certification under AS48001	2	Certification maintained	Certification maintained	Discontinued measure

Notes:
1. The measure of certification of quality assurance and environmental systems is being discontinued as it does not reflect efficiency or effectiveness of service delivery.
2. The measure of project competency – workplace health and safety certification under AS48001 is being discontinued as it does not reflect efficiency or effectiveness of service delivery.

CITEC

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Agency accepted design conversions to whole-of-Government ICT infrastructure	1	100%	100%	Discontinued measure
Government Enterprise Architecture Papers	2	10	12	Discontinued measure

Notes:
1. The measure of *agency accepted design conversions to whole-of-Government ICT infrastructure* is being discontinued as they do not measure service efficiency or effectiveness.
2. The measure of *Government Enterprise Architecture Papers* is being discontinued as they do not measure service efficiency or effectiveness.

Goprint

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
On time deliveries for Reserved Services	1,2	100%	99.9%	Discontinued measure
Spoilage as a percentage of sales	3	0.5%	0.34%	Discontinued measure
Utilisation of core equipment and resources	4,5	80%	58%	Discontinued measure

Notes:
1. The measure of on time deliveries for reserved services has been discontinued as it will be incorporated as a key element in the client satisfaction survey.
2. The decrease in the 2010-11 Estimated actual from the 2010-11 Target/estimate for on time deliveries for reserved services is due to one parliamentary document that was completed but did not get despatched in time to make the required delivery timeframe.
3. The measure spoilage as a percentage of sales is being discontinued as it relates to operational process and does not measure efficiency or effectiveness of service delivery.
4. The measure utilisation of core equipment and resources is being discontinued as it is unable to be benchmarked against private sector entities as reserved service equipment is only utilised when required.
5. The decrease in the 2010-11 Estimated actual from the 2010-11 Target/estimate, for utilisation of core equipment and resources is due to a lower than budgeted sales resulting in reduced use of core equipment and resources.

SDS (Sales and Distribution Services)

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Improvement in sales (%)	1,2	(6.4)%	18.91%	Discontinued measure
Brendale warehouse asset utilisation	3	>90%	100%	Discontinued measure
Inventory turnover	4			
• General merchandise		8	8	Discontinued
• Furniture		7	7	measure

Notes:
1. The increase in the 2010-11 Estimated actual from the 2010-11 Target/estimate for improvement in sales is due to increased furniture sales to schools, attributable to the Building the Education Revolution (BER) funding.
2. This measure has been discontinued as part of a revision of CBU financial measures to ensure more consistent reporting.
3. This measure has been discontinued as it only reflects point in time performance around warehouse utilisation.
4. This measure has been discontinued as SDS maintains considerable stock related to disaster management response which as a result this measure does not accurately reflect turnover of sales stock.

Queensland Shared Services (formerly Shared Services Agency)

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Labour costs as a percentage of total costs	1	56%	53%	Discontinued measure
Current ratio	2	2:1	1.9:1	Discontinued measure
Customer satisfaction with service delivery	3	≥70%	..	Discontinued measure
Targeted business reform projects delivered within agreed budget	4	Within 10% of budget	Within 10% of budget	Discontinued measure

Notes:
1. The measure of labour costs as a percentage of total expenses will be discontinued and replaced by a more appropriate measure of cost reduction.
2. The measure of current ratio is being discontinued as it is not appropriate for entities other than CBUs.
3. The measure of customer satisfaction with service delivery is being discontinued as the new measure relating to client satisfaction is being developed in accordance with whole-of-Government guidelines. A customer satisfaction survey was not undertaken in 2010-11.
4. The measure of targeted business reform projects delivered within agreed budget is being discontinued as it does not measure service efficiency or effectiveness.

Queensland Shared Services (formerly CorpTech)

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Labour costs as a percentage of total expenses	1,2	33%	23%	Discontinued measure
Percentage of OLAs signed	3	100%	100%	Discontinued measure
Projects completed on time, within budget and in accordance with agreed project outcomes	4	On time and on budget	On time and on budget	Discontinued measure

Notes:
1. The decrease in the 2010-11 Estimated actual from the 2010-11 Target/estimate for labour costs as a percentage of total expenses is due to the increase in expenses resulting from expected impairment expenses arising from the revaluation of Intangible Software asset values in 2010-11.
2. The measure of labour costs as a percentage of total expenses has been discontinued as it does not include contractor costs which are treated under supplies and services.
3. The measure of percentage of OLAs signed is no longer relevant, and has been superseded by the client satisfaction measure.
4. The measure of projects completed on time, within budget and in accordance with agreed project outcomes has been replaced by a departmental standardised project measure based on percentage of time and cost parameters.

Queensland Building Services Authority

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Number of insurance policies issued	1	82,000	71,180	Discontinued measure
Number of licensees including Accredited Building Certifiers		87,315	86,390	Discontinued measure
Number of licence applications received		8,000	8,000	Discontinued measure
Number of unlicensed contractor investigations initiated		680	658	Discontinued measure
Number of investigations into breaches of financial requirements for licensing		1,800	1,647	Discontinued measure
Number of investigations into breaches of legislated contractual obligations		280	294	Discontinued measure
Number of licences cancelled	2	3,600	4,652	Discontinued measure
Percentage movement in licence database		3%	3.5%	Discontinued measure
Number of Building and Construction Industry Payments Act claims registered	3	1,200	680	Discontinued measure
Number of Building and Construction Industry Payments Act claims decided	4	1,000	540	Discontinued measure

Notes:
1. The variance is due to decrease in new home construction and unit construction following flow on effects from global financial crisis and resultant building industry down turn.
2. The variance is due to higher cancellation rate as the flow on effect from the global financial crisis continues to impact both the commercial and residential building sectors.
3. The variance is due to the improved use of the legislation and contracts resulting in payment disputes being resolved without the need for adjudication.
4. The variance is due to the improved use of the legislation and contracts resulting in payment disputes being resolved without the need for adjudication.

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Department of Communities

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Child Safety Services	1			
Services for children and young people at risk				
Rate of notifications per 1,000 children (0-17 years of age)	2	19.3	17.0	Discontinued measure
Services for young people in care				
Ratio of children and young people in home-based care to the number of carer families	3	1.7	1.7	Discontinued measure
Admissions to protective orders	4	8,000	7,000	Discontinued measure
Percentage of children to orders who are Aboriginal and Torres Strait Islander children	4	36%	36%	Discontinued measure
Percentage of Aboriginal and Torres Strait Islander children placed with kinship or Indigenous carers	5	55%	55%	Discontinued measure
Number of children living away from home, by placement type:	2			Discontinued measure
1. Approved foster care		4,390	4,410	
2. Approved kinship care		2,500	2,500	
3. Other		970	990	
4. Total		7,860	7,900	
Adoption services				
Number of expressions of interest received for local and inter-country adoption	3	110	100	Discontinued measure
Number of assessments for prospective adoptive parents completed	3,6	90	66	Discontinued measure
Number of applications for information received	3	700	702	Discontinued measure
Service Area: Community and Youth Justice Services				
Support for communities and individuals				
Number of calls to the *dvconnect* helpline	3	45,000	49,970	Discontinued measure
Number of concession services provided for eligible Queenslanders	3,7	1,020,000	970,000	Discontinued measure
Support for young people				
Number of young Queenslanders participating in The Duke of Edinburgh's Award and Bridge Award Programs	3	6,500	6,600	Discontinued measure

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Percentage of community service orders for young people that are successfully completed	8	95%	98%	Discontinued measure
Percentage of community service orders for young Aboriginal and Torres Strait Islanders that are successfully completed	8	90%	98%	Discontinued measure
Support for seniors' participation				
Number of Aboriginal and Torres Strait Islander Seniors Card holders	3	2,000	2,337	Discontinued measure
Number of business outlets participating in the Seniors Discount Scheme	3	10,000	8,500	Discontinued measure
Community participation				
Number of households supported through family support networks coordinated by Community Participation Programs in areas where the programs operate	3,9	500	1,422	Discontinued measure
Number of coordination and network development activities which were undertaken by Community Participation Programs to improve homelessness service system planning and coordination	3,10	500	103	Discontinued measure
Service Area: Disability and Community Care Services				
Accommodation support services				
Percentage of service providers that remain certified or achieve recertification under the Disability Sector Quality System within the specified timeframe	3	100%	100%	Discontinued measure
Percentage of complaints that have been responded to within agreed timelines	3	80%	85%	Discontinued measure
Percentage of grants budget committed	3	100%	100%	Discontinued measure
Community services				
Number of service users receiving services through the Local Area Coordination services	3	1,250	1,300	Discontinued measure
Percentage of service providers that remain certified or achieve recertification under the Disability Sector Quality System within the specified timeframe	3	100%	100%	Discontinued measure

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Percentage of complaints that have been responded to within agreed timelines	3	80%	85%	Discontinued measure
Percentage of grants budget committed	3	100%	100%	Discontinued measure
Respite services Percentage of service providers that remain certified or achieve recertification under the Disability Sector Quality System within the specified timeframe	3	100%	100%	Discontinued measure
Percentage of complaints that have been responded to within agreed timelines	3	80%	85%	Discontinued measure
Percentage of grants budget committed	3	100%	100%	Discontinued measure
Community and home care Number of Home and Community Care service provider organisations reviewed using the National Service Standards Instrument	3	422	406	Discontinued measure
Percentage of Australian Government Home and Community Care reporting obligations met within specified timeframes	3	100%	100%	Discontinued measure
Service Area: Multicultural Services				
Number of consultations with multicultural leaders, community groups and organisations	3	90	93	Discontinued measure
Number of people participating in Multicultural Affairs Queensland sponsored festivals and events	3,11	550,000	757,000	Discontinued measure
Service Area: Housing and Homelessness Services				
Housing Number of new households assisted in social rental housing	12	9,130	8,348	Discontinued measure
Total number of households assisted in Indigenous communities tenancy managed by the Department of Communities	3,13	3,375	1,750	Discontinued measure
Number of new households assisted in private market assistance	14	153,551	164,437	Discontinued measure
Total average concession	15	$7,253	$7,844	Discontinued measure

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Percentage of dwellings in regional and remote locations:	3			
• Government-managed social housing		35%	36%	Discontinued measure
• Non-Government-managed social housing		60%	59%	
Percentage of registered providers meeting prescribed requirements under the *Housing Act 2003* and the *Housing Regulation 2003*	3	95%	94%	Discontinued measure
Percentage of Indigenous households in Government-managed social housing	16	13.2%	14.9%	Discontinued measure
Total number of households assisted in discrete Indigenous communities	17	4,251	4,234	Discontinued measure
Number of Indigenous communities tenancy managed by the Department of Communities	3,13	32	11	Discontinued measure
Number of dwellings delivered through the capital program to Indigenous communities	18	151	115	Discontinued measure
Percentage of overcrowding in Indigenous communities dwellings on tenancy managed communities	19	24%	22%	Discontinued measure
Average maintenance per dwelling in Government-managed social housing	3	$3,235	$3,216	Discontinued measure
Percentage of assistance in regional and remote locations:	3			Discontinued measure
• Private rental		45%	44%	
• Home Assist Secure		50%	49%	
• Tenant Advice and Advocacy Service		25%	30%	
• Home Loans		35%	34%	
Average Bond Loan assistance	3	$1,000	$987	Discontinued measure
Average Home Assist Secure assistance	3	$278	$271	Discontinued measure
Homelessness				
Percentage of dwellings in regional and remote locations – Crisis accommodation	3	50%	57%	Discontinued measure

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Sport and Recreation Services				
Participation in departmental sport and active recreation programs: Percentage of Queensland schools accessing the department's sport and active recreation programs	3,20	60%	55%	Discontinued measure
Service Area: Women's Services				
Number of requests for information and referrals serviced by the Office for Women through its website and seminars, Women's Infolink and Find a Service	3	60,000	83,324	Discontinued measure

Notes:

1. Definitions and additional information on these and other Child Safety Services performance measures are available on the department's Our performance website at http://www.communities.qld.gov.au/childsafety/about-us/our-performance.
2. This measure has been discontinued as it provides limited meaningful information on the efficiency or effectiveness of the department. The measure will continue to be published separately, including on the department's Our performance website at www.communities.qld.gov.au/childsafety/about-us/our-performance.
3. Measure discontinued as it was considered to be an input/throughput/output measure and not a measure of the agency's efficiency or effectiveness. Such performance data will continue to be reported on internally.
4. Measures relating to children subject to protective orders have been replaced by the new service standard Rate of children subject to protective orders per 1,000 children by Indigenous status.
5. This measure has been discontinued as it is more appropriately reported elsewhere, such as the national Report on Government Services and on the department's Our performance website at www.communities.qld.gov.au/childsafety/about-us/our-performance.
6. This measure refers to the number of new couples that were either approved or not approved as prospective adoptive parents. This measure is directly impacted by the active participation of couples including their ability to continue with the assessment process. Time frames for these assessments to be completed are on average 9-12 months.
7. The 2010-11 Estimated actual reflects the eligibility verification data-cleanse of customers resulting in revised concession receipt numbers previously provided by energy retailers.
8. Community Service Orders are a subset of all orders supervised in the community. The new service standard Percentage of orders supervised in the community that are successfully completed presents a more comprehensive effectiveness measure.
9. The 2010-11 Estimated actual reflects that this initiative is currently operating in one region only. Two of the three locations commenced on 4 October 2010 with the third location commencing on 31 January 2011. As referral numbers were low, from mid-January 2011 there was a broadening of referral pathways into this initiative.
10. The 2010-11 Estimated actual data provided is for the period up to and inclusive of December 2010. Delivery and reporting was suspended during recent natural disasters.
11. The 2010-11 Estimated actual or estimated attendance reported by event organisers exceeded projections.
12. The number of new households assisted is included in the notes section to the service standard *Total number of households assisted in social housing*.
13. Agency Appointment Agreements to commence tenancy management have been sent to the Mapoon Aboriginal Shire Council, Torres Strait Island Regional Council and Northern Peninsula Area Regional Council. Once signed, an additional 20 communities (approximately 1,750 households) will be tenancy managed. An additional six dwellings are tenancy managed in Kowanyama.
14. The number of new households assisted is now included in the notes section to the service standard *Total number of households assisted with private market assistance*.
15. This measure has been discontinued as it is a calculation based on market rents. As the department cannot influence market rents, the measure does not reflect the department's performance.
16. This measure has been replaced with *Percentage of new households assisted in Government-managed social housing who were Indigenous*.
17. This measure has been discontinued as it does not provide a true indication of households assisted. The total number of households assisted in discrete Indigenous communities will now be reported in a note to the service standard *Total number of households assisted in social housing*.
18. This measure has been discontinued as it only reflects a subset of the department's entire capital program. Total expenditure and number of dwellings delivered through the capital program is included in the Housing and Homelessness recent achievements section of the SDS. The variance between 2010-11 Target/estimate and 2010-11 Estimated actual is mainly due to the deferral of three significant new construction projects in the Northern Peninsula Area region, Torres Strait Islands region, and the Yarrabah community. These deferred projects are expected to be delivered in 2011-12. Reasons for construction delays included issues around potential land sites for the new dwellings and the impact of the wet season in the islands region.

19. Overcrowding is influenced by tenancy management practices. Until the department arranges to provide tenancy management in all communities, overcrowding is not entirely within the department's influence. Once all communities are tenancy-managed, service standards will be reviewed to determine appropriate measures for Indigenous communities.
20. In response to the impacts of severe weather events experienced early 2011, Sport and Recreation Services postponed certain sport and active recreation program programmed activities, along with reprioritising funds under the Sport and Recreation Flood Fightback Plan, to assist organisations directly affected by flooding to re-establish sport and recreation services to support local participation.

Department of Education and Training

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Early Childhood Education and Care				
Regulation Percentage of licensed child care services receiving at least one visit per annum from the Office		98%	98%	Discontinued measure

Queensland Studies Authority

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Testing and the distribution of reports for the National Assessment Program – Literacy and Numeracy (NAPLAN) are delivered within agreed stakeholders' timeframes		Timelines met	Timelines met	Discontinued measure
Testing and the distribution of reports for Senior Education Profiles are delivered within agreed stakeholders' timeframes		Timelines met	Timelines met	Discontinued measure

Southbank Institute of Technology

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Total number of students		32,000	21,400	Discontinued measure

Note:
1. The number of international and domestic students who enrolled in 2010/11 is lower than expected. The decline in international student demand was driven by changes in the Migration Occupations in Demand List (MODL), a strong exchange rate and an increasingly competitive international market. There has also been a decline in demand for commercial training, leading to a fall in domestic student numbers.

Gold Coast Institute of TAFE

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Target/est.
Total number of students		16,600	16,400	Discontinued measure

Department of Environment and Resource Management

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Climate Change				
Percentage of Climate Change Impact Statements consistent with the Cabinet Handbook	1	100%	100%	Discontinued measure
Percentage of project briefs for ClimateQ initiatives funded from the Queensland Climate Change Fund that are consistent with Government commitments in ClimateQ	1	100%	100%	Discontinued measure
Percentage of climate science datasets requested by external clients delivered within 5 working days	1	95%	99.9%	Discontinued measure
Percentage of climate science research publications put forward that are accepted by international or national journals/conferences/forums	1,2	90%	100%	Discontinued measure
Average tonnes reduction in annual household emissions from electricity use in homes that have received the ClimateSmart Home Service.	3,4	2.2 tonnes	2.0 tonnes	Discontinued measure
Percentage of Premier's Council on Climate Change papers supported by DERM policy research that are developed in a method consistent with the Queensland Government Policy Handbook	5	100%	100%	Discontinued measure
Service Area: Environment				
The percentage of good practice indicators (GPI's) for national parks that are met or exceeded, as measured by the Rapid Assessment Program	6	N/A	N/A	Discontinued measure
Annual percentage increase of science-based products available from the DERM website	1	5%	5%	Discontinued measure
All approved formal investigations of alleged non compliance with all legislation administered by DERM completed within 12 months of investigation approval date	1	95%	95%	Discontinued measure

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Percentage of actions under the Great Barrier Reef Water Quality Protection Plan led by the department assessed as progressing satisfactorily or better	1	100%	100%	Discontinued measure
Percentage of eligible regional Natural Resource Management group State investments reviewed annually and fully acquitted against program objectives	1	100%	100%	Discontinued measure
Increase in Indigenous involvement in delivery of natural resource management, directly related to the Wild River Rangers Program	1	10 additional Rangers	10 additional Rangers	Discontinued measure
Percentage of compliance projects and other activities set out in the Annual Compliance Plan completed on time	1,7	90%	85%	Discontinued measure
Percentage of time that valid live air quality monitoring data is available from the DERM website	8	95%	95%	Discontinued measure
Service Area: Land				
Percentage of State land applications completed within customer service standards	1	80%	80%	Discontinued measure
Percentage of valuation objections completed within customer services standards (60 working days of the closure of the objection period)	9	90%	55%	Discontinued measure
Percentage of Queensland Heritage Register recommendations referred to the Queensland Heritage Council within statutory timeframes	1	100%	100%	Discontinued measure
Percentage of completion of survey framework infrastructure in six priority Indigenous communities by June 2011	10	100%	100%	Discontinued measure
Percentage of Cultural heritage database searches completed within customer service timeframes (14 working days)	1	100%	100%	Discontinued measure
Number of information resources accessible via Information Queensland	11	150	150	Discontinued measure
Service Area: Water				
Percentage of water authorisations managed in accordance with National Water Initiative compliant water access entitlement guidelines	12,13	92% of supplemented water authorisations compliant	91% of supplemented water authorisations compliant	Discontinued measure

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Percentage of high priority meter project areas completed in accordance with the agreed 2010-11 schedule	1,14	100%	0%	Discontinued measure
Percentage of the State's population where level of service objectives and associated water balance strategies have been approved by the State Government	1	75%	75%	Discontinued measure

Notes:

1. DERM continues to improve the quality, effectiveness and appropriateness of its service standards. Consequently, DERM has conducted its annual review of the service standards published in the 2010-11 Service Delivery Statement. This has led to an overall reduction in the number of standards for the department but also the identification of key output measures. DERM has subsequently discontinued a number of the service standards published in its 2010-11 Service Delivery Statement. Some of these previous service standards focus on activity or process rather than efficiency, effectiveness or effect. DERM continues to gather and utilise data obtained from these discontinued service standards as appropriate.
2. 6 items were submitted and accepted for publication.
3. This measure has been replaced with two new measures to provide more information on the efficiency of the ClimateSmart Home Service and progress toward meeting the Toward Q2 Green target of reducing household emissions by one third by 2020 (see Notes 1 and 4 in the DERM Service Delivery Statement).
4. The methodology used to estimate abatement per household from the ClimateSmart Home Service has been updated and improved. For example, the estimated abatement from installation of compact fluorescent light bulbs (CFLs) has been modified following the implementation of the Australian Government's ban on the importation of incandescent light bulbs.
5. This measure has been replaced with a new measure to provide more effective reporting (see Note 6 in the DERM Service Delivery Statement).
6. The Rapid Assessment Program (RAP) is a survey conducted biennially (every 2 years). The next assessment is scheduled for 2011-12. RAP is part of the department's Management Effectiveness Evaluation and will continue to be reported on internally.
7. Variance to the on-time completion of Annual Compliance Plan projects is predominately due to natural disaster response and recovery activities; affecting site access, and diverting staff resources to cleanup, water and sewerage services, waste management, and compliance issues with mine and coal seam gas operations. The introduction of new legislative frameworks and the conclusion of previous compliance activity (at risk of falling outside the statute of limitation to take court action), have also impacted Annual Compliance Plan project timelines. For one particular project, timelines are affected by local government resources being diverted to disaster recovery and waste reform preparation. Delayed projects will likely be either completed on-time, albeit with a modified scope to account for the impact from natural disasters; or carried over into the 2011-12 Annual Compliance Plan.
8. This measure has been replaced with a new measure to provide more effective and efficient reporting (see Note 9 in the DERM Service Delivery Statement).
9. The variance between the 2010-11 Target/estimate and the 2010-11 Estimated actual occurs as a result of legislative changes in March 2010 which introduced the properly made test and changed timeframes associated with the streamlined objection process, as well as amendments in September 2010 to further extend timeframes for landholders to lodge objections and for these objections to be processed. This measure has been discontinued as the valuation objection process has been amended.
10. This measure has been discontinued because the project was due to be completed by June 2011.
11. This measure has been replaced with a new measure to provide more effective reporting (see Note 21 in the DERM Service Delivery Statement).
12. An important outcome of Queensland's water planning framework and Queensland's commitment to the National Water Initiative is the progressive introduction of tradeable water allocations which are established through the finalisation of a resource operations plan. The estimates target for 2010-11 was not met due to a minor delay the finalised resource operations plan for the Whitsunday catchment. The plan has been delayed by a month to enable further review of public submissions. The plan will be finalised in early 2011-12 and will establish approximately 160 tradeable water allocations.
13. This measure has been replaced with a measure that specifically deals with surface water (see Note 27 in the DERM Service Delivery Statement).
14. Flooding and continuing wet weather has caused significant delay in the commencement of installation of meters in the four high-priority project areas: Condamine-Balonne, Lower Balonne, Gowrie Oakey and Oakey Creek catchments. This means that no priority area has been fully completed as planned, but it is estimated that 50% of meter installations for all of the priority areas will be completed by the end of the fourth quarter of 2010-11. Condamine-Balonne had a three-month delay with the installation of meters commencing on 28 March 2011. Lower Balonne had a two-month delay to date and the installation of meters has not yet commenced. Gowrie Oakey and Oakey Creek had a two-month delay with the installation of meters commencing on 9 March 2011. The number of meter installations per week is below average due to sites not being prepared by landholders following the flooding. Other issues affecting the installations in Condamine-Balonne and Lower Balonne include the external contractor being unable to provide sufficient work for staff due to the impact of the floods and therefore being unable to retain qualified and trained meter installers.

Queensland Water Commission

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Target/est.
Percentage of actions in the Regional Water Security Program undertaken on time	1	New measure	100%	Discontinued measure

Note:
1. This measure has been discontinued as the measurement of the SEQ Water Strategy enables an assessment of a broader suit of actions.

Department of Police

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Professional Standards and Ethical Practice				
Resources allocated to Professional Standards and Ethical Practice:	1			
- Staff numbers		..	2,165	Discontinued
- Expenditure ($000)		..	$276,920	measures
- Percentage of Total Budget		..	15.4%	
Hours directed towards in-service training	2	1.5 – 2 million	1.5 million	Discontinued measure
Complaints against police per 100,000 population	3,4,5	< 68.1	44.5	Discontinued measure
Service Area: Personal Safety				
Resources allocated to Personal Safety:	1			
- Staff numbers		..	3,334	Discontinued
- Expenditure ($000)		..	$403,756	measures
- Percentage of Total Budget		..	22.4%	
Service Area: Property Security				
Resources allocated to Property Security:	1			
- Staff numbers		..	3,135	Discontinued
- Expenditure ($000)		..	$379,687	measures
- Percentage of Total Budget		..	21.1%	
Service Area: Traffic Policing				
Resources allocated to Traffic Policing:	1			
- Staff numbers		..	2,816	Discontinued
- Expenditure ($000)		..	$345,545	measures
- Percentage of Total Budget		..	19.2%	
Number and rate (per 100,000 population) of road crash fatalities by crash contributing factor:	6			
- Speed			44 (0.97)	Discontinued
- Alcohol			73 (1.60)	measures
- Fatigue			25 (0.55)	
- Seatbelt			26 (0.57)	
- Total		< 6.1	252 (5.54)	

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Number and rate (per 100,000 population) of reportable crashes by crash contributing factor:	7			
- Speed			1,592 (34.98)	Discontinued measures
- Alcohol			3,723 (81.81)	
- Fatigue			1,900 (41.75)	
- Total			23,486 (525.1)	
Number of persons hospitalised following a crash	8	..	6,743	Discontinued measure
Service Area: Public Order and Safety				
Number of good order offences detected	9		47,897	Discontinued measure
Resources allocated to Public Order and Safety:	1			
- Staff numbers		..	3,261	Discontinued measures
- Expenditure ($000)		..	$394,942	
- Percentage of Total Budget		..	21.9%	
Service Area: Client Service				
Public satisfaction with police generally	10	≥ 66.1%	75.6%	Discontinued measure
Service Area: Strategic Positioning and Response				
Level of carbon emissions from the QPS vehicle fleet	2	15% reduction	14% reduction	Discontinued measure
Level of:	11			
- water consumption	12	≤ Qld	..	Discontinued measures
- energy used		Government	8.75%	
- waste produced	12	targets	..	
Meeting Government targets on police numbers	2	10,450 – 10,500	10,500	Discontinued measure
Percentage of staff who are operational	13	≥ 84.3%	90.8%	Discontinued measure
Service Area: Financial Management				
Departmental expenditure is within approved Government funding level	14	Yes	Yes	Discontinued measure

Notes:
1. This information is presented in the Staffing and Service Summary tables and so has been discontinued as a measure in the Performance Statement.
2. Deleted from the Service Delivery Statement to ensure the Performance Statement provides more relevant and meaningful performance information highlighting the efficiency and effectiveness of agency service delivery. Measures of input and activity will continue to be reported in the Annual Report.
3. Information about complaints against police is provided through the retained measure of 'Complaints against police per 100 sworn (operational) staff'. This retained measure is considered to be more meaningful as it takes into account annual increases in police numbers.

4. 2010-11 Estimated actual was calculated using the 2011 Report on Government Services definition of “complaints”, which differs from the definition used to calculate the 2010-11 Target/estimate. The 2010-11 Estimated actual includes complaints made against on and off duty police officers by members of the public.
5. Rate is calculated using the September Quarter Queensland population figure (as at 30 September 2010) provided by the Australian Bureau of Statistics. (ABS, 2010, 3101.0 - Australian Demographic Statistics, Sep 2010).
6. This measure has been deleted to improve consistency with road safety performance information presented by the Department of Transport and Main Roads. Note that Target/estimate are only set for the total crash fatality rates—not for the crash contributing factors, which can fluctuate significantly from year to year. The measure ‘Rate (per 100,000 population) of road crash fatalities’ has been retained. This gives a more meaningful measure of road crash fatalities as it takes population growth into account.
7. This measure has been deleted to improve consistency with road safety performance information presented by the Department of Transport and Main Roads. Note that Target/estimate are only set for the total crash fatality rates—not for the crash contributing factors, which can fluctuate significantly from year to year. The 2008-09 crash data has been provided here as more recent data is unavailable.
8. The service standard is now expressed as a rate per 100,000 population. This gives a more meaningful measure of road crash hospitalisations as it takes population growth into account.
9. The service standard is now expressed as a rate per 100,000 population. This gives a more meaningful measure of good order offences detected as it takes population growth into account.
10. Information about satisfaction with police is provided through the retained measure of ‘Satisfaction of members of the public who had contact with police in the last twelve months’ derived from the National Survey of Community Satisfaction with Policing. This retained measure is considered to be more meaningful as it is based on direct interactions with police. General attitudinal data is heavily influenced in the short term by adverse or highly publicised events. Point-in-time responses can vary from people’s true underlying (or longer term) satisfaction with police.
11. The Queensland Government’s minimum mandatory targets for energy consumption reductions in all government buildings are 5% by 2010 (30 June 2009) and 20% by 2015 (30 June 2014). There is no mandated waste reduction target and no nominated baseline. A water usage reduction of 25% or the establishment of a Water Efficiency Management Plan (WEMP) to reduce water consumption is required in South East Queensland.
12. Water consumption and waste production are not recorded centrally and the QPS is not able to estimate actual consumption and production levels at this time. The QPS has water and waste management plans in place.
13. This service standard has been replaced with the Report on Government Service’s measure ‘Operational staff (sworn and unsworn) per 100,000 population’. This new measure now facilitates benchmarking against the national average.
14. This information is presented in the Financial Statements and has been discontinued as a measure in the Performance Statement.

Prostitution Licensing Authority

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Number of licensed brothel premises operating	1	26	23	Discontinued measure
Number of brothel and certificate applications investigated	2	195	159	Discontinued measure
Number of brothel and certificate applications decided	2	145	128	Discontinued measure
Number of brothels requiring three monthly sexual health certificates	3	26	23	Discontinued measure

Notes:

1. Three brothels closed during the reporting period and one new brothel opened. This measure will be discontinued because it is a measure of activity. The PLA has no control over the number of brothels in the State. Decisions to establish or close brothels are at the discretion of licensees. The PLA will continue to report on the number of licensed brothels in Queensland in its Annual Report.
2. This measure includes new applications, renewals, and annual returns. The variance between the target/est. and the est. actual reflects the shrinkage of the licensed brothel sector and also that fewer approved manager's certificate applications were received than anticipated. This measure will be discontinued because it is a measure of activity. The PLA has no control over the number of applications submitted, withdrawn or decided (all are dependent on the decisions of applicants). The PLA will continue to report on its licensing activities in its Annual Report.
3. It is a condition of licence that all brothels require three monthly sexual health certificates. This measure will be discontinued because it is a subset of the service standard regarding the implementation of best practice standards at brothels. The requirement that all sex workers at a brothel must hold a current sexual health certificate is a best practice standard. The PLA will continue to report on sexual health matters in its Annual Report.

Department of Justice and Attorney-General

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Criminal and civil justice				
Prosecution services Percentage of indictments presented within 6 months	1	100%	100%	Discontinued measure
Justices of the Peace services Number of sites under the "JPs in the Community" program	2,3	152	145	Discontinued measure
Total number of hours volunteered under the "JPs in the Community" program	2	60,000	59,857	Discontinued measure
Number of JP volunteers involved in the "JPs in the Community" sites	2	2,700	2,570	Discontinued measure
Dispute resolution services - Civil mediation Percentage of matters finalised within target timeframes	4	80%	80%	Discontinued measure
- Criminal mediation Percentage of matters finalised within target timeframes	4	70%	65%	Discontinued measure
Queensland Civil and Administrative Tribunal Percentage of applications finalised within target timeframes	4	70%	70%	Discontinued measure
Service Area: Fair and safe work				
Private sector industrial relations Cost of compliance and information services per private sector worker covered by the Queensland industrial relations system	5	Benchmark to be established	..	Discontinued measure
Administration of the Industrial Court and Commission System Percentage of matters lodged that are processed and available to members within one working day	1,8	90%	99%	Discontinued measure
Percentage of decisions released to the parties within one working day	1,7	95%	100%	Discontinued measure
Percentage of decisions that are published and available to the community within 13 working days	1,8	95%	100%	Discontinued measure

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Cost of QIRC and Registry Services per worker covered by the Queensland Industrial Relations legislation	4	$8.50	$8.40	Discontinued measure
Workplace health and safety services Percentage of compliance within a target industry (or specific workplace health and safety hazard)	4	50-70%	75%	Discontinued measure
Percentage of gazetted Major Hazard Facilities with at least one site assessment completed per year	4	90%	91%	Discontinued measure
Prosecutions completed within statutory requirements (12 months)	4	100%	100%	Discontinued measure
Investigations finalised within six months	4	60-70%	67%	Discontinued measure
Percentage of National Standards and Codes implemented within agreed timelines	4	100%	100%	Discontinued measure
Electrical safety services Percentage of annual evidence-based program of audits for compliance completed	4,9	100%	127%	Discontinued measure
Successful prosecutions completed within statutory requirements (12 months)	4	100%	100%	Discontinued measure
Queensland electrical fatality rate below the national five year moving average per million population	4,10	1.1	1	Discontinued measure
Service Area: Legal services				
Legal services to Government Timeliness of legal work provided to clients (feedback rating from 1 to 7)	1	5	6	Discontinued measure
Percentage of priority policy and legislation projects which are completed within agreed timeframes	4,11	85%	100%	Discontinued measure
Service Area: Human rights protection				
Life event registration services Percentage of life events registered within accepted timeframe	1	90%	85%	Discontinued measure
Percentage of life event certificates issued within accepted timeframe	1	90%	85%	Discontinued measure

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Victims of crime assistance services				
Percentage of victims of crime assisted through a grant of financial assistance within target timeframes	12	80%	79%	Discontinued measure
Number of clients assisted through Victims LinkUp	4	12,960	13,300	Discontinued measure
Percentage of clients satisfied with financial assistance service	1	70%	95%	Discontinued measure
Percentage of clients satisfied with Victims LinkUp service	1	70%	95%	Discontinued measure
Guardianship services				
Percentage of decisions made by guardians affirmed following internal review	4,13	90%	87%	Discontinued measure
Percentage of investigation matters referred to Adult Guardian completed within 6 months	1	75%	75%	Discontinued measure

Notes:
1. This performance measure has been discontinued because it is a measure of quality and only reports on a small aspect of service delivery. A new service standard has been developed to better reflect how efficient or effective this service is.
2. This performance measure has been discontinued because it is input / output focussed and is not a measure of efficiency or effectiveness. Justice of the Peace services contribute to the Government's priorities to increase volunteers. The department will report progress against this measure in its annual report.
3. This variance is due to building refurbishment and redevelopment causing closure at some JP signing sites.
4. This performance measure has been discontinued because it is input / output focussed and is not a measurement of efficiency or effectiveness.
5. This performance measure has been discontinued because the majority of compliance work is in respect to the federal contract to deliver compliance services in the federal jurisdiction. Very minimal compliance and information services are carried out in the Queensland jurisdiction as a result of private sector industrial relations now falling within the federal jurisdiction.
6. The workload of the registry is now commensurate with the number of staff employed so that a higher percentage of matters lodged are now able to be processed and available to members within one working day.
7. This result has been achieved due to the business practice of the registry to release decisions to parties the same day they are provided by the commission.
8. This result is due to the new business practice of publishing to the website within 24 hours rather than to the Queensland Government Industrial Gazette.
9. Additional audits have been conducted relating to Solar PV and government rebate schemes which were not originally planned.
10. This is a positive indicator of electrical safety performance.
11. Improved business strategies and tracking procedures have resulted in a better than forecast completion rate.
12. This performance measure has been discontinued because it is a measure of activity and only reports on a small aspect of service delivery. A new service standard has been developed to better reflect how efficient or effective this service is.
13. There are many decisions made each year by the Adult Guardian and the number reviewed is a very small percentage of decisions made. This result reflects a strong complaint management process. The department will continue to report against this measure in its annual report.

Anti-Discrimination Commission Queensland

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Number of complaint enquiry advices provided	1	4,500	3,260	Discontinued measure
Number of training sessions provided	2	310	356	Discontinued measure
Number of people trained	2	4,000	5,800	Discontinued measure
Number of community consultations and delegations:				
• South East Queensland	3	200	268	Discontinued
• Rural, regional and remote Queensland	3	120	195	measure

Notes:
1. Enquiry numbers have been trending downward for some time and calls to the information service were further negatively impacted by the weather events in Queensland.
2. The use of a targeted marketing program combined with the development of new training packages has increased demand for training. Community awareness of vicarious liability in areas such as sexual harassment has also increased as a result of the reporting of a number of high profile legal actions.
3. ADCQ has placed a greater emphasis on community consultations as part of a renewed commitment to engagement with the community.

Legal Aid Queensland

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Approved applications – criminal law	1	17,000	15,545	Discontinued measure
Legal Advice – criminal law		14,300	13,996	Discontinued measure
Approved applications – civil law	2	3,800	3,241	Discontinued measure
Legal Advice – civil law		10,000	9,839	Discontinued measure
Duty lawyer defendants represented	3	69,600	64,500	Discontinued measure
Practitioner compliance with case management standards		90%	90%	Discontinued measure
Percentage of applications processed (approved or refused) within 5 days of the date of receipt of the application	4	90%	75%	Discontinued measure
Percentage of decisions made within 5 days of the date of receipt of a request for an extension of aid	4	90%	83%	Discontinued measure
Call centre service levels: Percentage of calls answered within 3 minutes	5	80%	73%	Discontinued measure

Notes:
1. Jurisdictional change has resulted in fewer applications for aid, as well as an increase in the number of matters being resolved by duty lawyers.
2. Lower than expected demand in Domestic Violence applications, as well as a general decrease in other civil law applications.
3. The duty lawyer defendants target was increased by 10% in 2010-11 in anticipation of additional work being generated as a result of the Moynihan reforms. Demand did not meet anticipated target.
4. LAQ now allocates greater time to assessing applications from clients identified as having a disability or disadvantage, instead of refusing applications on the basis of insufficient information. This has adversely impacted the time taken to process applications within five days.
5. Call waiting times are lower than the target due to the number and complexity of legal issues raised by clients.

Office of the Information Commissioner

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Percentage of agencies satisfied with the range of information provided	1	75%	96%	Discontinued measure
No. training sessions provided	2	30	32	Discontinued measure
No. people trained	3	400	1,459	Discontinued measure
No. monitoring and compliance activities	2	10	10	Discontinued measure
No. of awareness activities conducted	4	190	438	Discontinued measure
No. of enquiries (written and oral) received	5	2,500	4,220	Discontinued measure
No. of website visits annual	2	80,000	78,000	Discontinued measure

Notes:
1. Qualitative measure discontinued for SDS reporting. Measure retained for annual reporting purposes. A higher level of satisfaction than anticipated was achieved.
2. Quantitative measure discontinued for SDS reporting. Measure retained for annual reporting purposes.
3. Quantitative measure discontinued for SDS reporting. Measure retained for annual reporting purposes. A higher than anticipated number of agency staff were provided training.
4. Quantitative measure discontinued for SDS reporting. Measure retained for annual reporting purposes. A higher than anticipated number of awareness activities were conducted.
5. Quantitative measure discontinued for SDS reporting. Measure retained for annual reporting purposes. A higher than anticipated number of enquiries were received.

Electoral Commission of Queensland

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Electoral Services				
Number of Parliamentary by-elections conducted	1	..	..	Discontinued measure
Level of voter turnout State by-election	1	..	..	Discontinued measure
Level of informal voting State by-election	1	..	..	Discontinued measure
Per elector cost of State by-election	1	..	..	Discontinued measure

Note:
1. These measures are planned for deletion as the conduct of by-elections cannot be planned as the requirement to conduct a by-election only arises when a vacancy occurs. No State by-elections were conducted during 2010-11

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Public Trust Office

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Number of other trust matters under administration	1	6,484	5,895	Discontinued measure

Note:
1. A significant part of "other trust matters" includes minors. Amendments to the *Motor Accident Insurance Act 1994* and the *Personal Injuries Proceedings Act 2002* have resulted in a significant reduction in the number of trusts for minor damages received by the Public Trustee.

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State Budget 2011-12

Service Delivery Statements

Book 5

Appendix

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Service Delivery Statements

Book 1	Book 2	Book 3	Book 4	Book 5
Department of the Premier and Cabinet	Department of Employment, Economic Development and Innovation	Department of Communities	Legislative Assembly of Queensland	Appendix – Discontinued performance measures
Office of the Governor	Department of Local Government and Planning	Department of Education and Training		
Public Service Commission	Department of Transport and Main Roads	Department of Environment and Resource Management		
Queensland Audit Office	Department of Public Works	Department of Police		
Treasury Department		Department of Justice and Attorney-General		
Department of Health		Electoral Commission of Queensland		
Department of Community Safety		Office of the Ombudsman		
		Public Trust Office		

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