



State Budget 2012-13

Service Delivery Statements

Department of Aboriginal and Torres Strait Islander
and Multicultural Affairs



2012–13 State Budget Papers

- 1. Budget Speech**
- 2. Budget Strategy and Outlook**
- 3. Capital Statement**
- 4. Budget Measures**
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Appropriation Bills

The suite of Budget Papers is similar to that published in 2011-12.

In April 2012, machinery-of-Government changes saw the creation of 20 departments with each department reporting directly to one Minister.

These new arrangements have required minor changes to how information is presented in some Budget Papers. The 2012-13 Budget Papers provide continuity of information between the previous departmental structure and the new arrangements.

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Service Delivery Statements

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Department of Aboriginal and Torres Strait Islander and Multicultural Affairs

Summary of portfolio budgets

Page	Agency	2011-12 Adjusted Budget \$'000	2011-12 Est. Actual \$'000	2012-13 Estimate \$'000
3	Department of Aboriginal and Torres Strait Islander and Multicultural Affairs – controlled	16,807	14,466	136,748
	Department of Aboriginal and Torres Strait Islander and Multicultural Affairs – administered	903	903	3,715
24	Family Responsibilities Commission	4,135	4,225	4,486

Note:

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

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PORTFOLIO OVERVIEW

Ministerial and portfolio responsibilities

Department of Aboriginal and Torres Strait Islander and Multicultural Affairs:

The Department of Aboriginal and Torres Strait Islander and Multicultural Affairs (DATSIMA) was established on 3 April 2012 as a result of machinery-of-Government changes. The department's role is to provide whole-of-Government leadership to improve outcomes for Aboriginal people, Torres Strait Islander people and people from diverse cultural backgrounds.

The department benefits Queenslanders by providing the following services:

- *Aboriginal and Torres Strait Islander Affairs* which provides whole-of-Government Indigenous policy leadership, co-ordination and monitoring, and the delivery of services to Aboriginal and Torres Strait Islander Queenslanders.
- *Multicultural Affairs* which provides whole-of-Government leadership in multicultural policy and engagement with people from culturally and linguistically diverse backgrounds.

Further information about the department can be found at www.datsima.qld.gov.au.

Family Responsibilities Commission:

- 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.

Further information about the Commission can be found at www.frcq.org.au.

Portfolio Structure and Services

Minister for Aboriginal and Torres Strait Islander and Multicultural Affairs

The Honourable Glen Elmes MP

Assistant Minister for Aboriginal and Torres Strait Islander Affairs

Mr David Kempton MP

Assistant Minister for Multicultural Affairs

Mr Robert Cavallucci MP

Department of Aboriginal and Torres Strait Islander and Multicultural Affairs

Acting Director-General: Ms Debbie Best

Service Area 1: Aboriginal and Torres Strait Islander Affairs

Service Area 2: Multicultural Affairs

Family Responsibilities Commission

Commissioner: Mr David Glasgow

RESOURCES AND PERFORMANCE

DEPARTMENTAL OVERVIEW

The Department of Aboriginal and Torres Strait Islander and Multicultural Affairs has a lead role in enabling Aboriginal people, Torres Strait Islander people and people from diverse cultural backgrounds to contribute to, and enjoy, Queensland's prosperity and lifestyle through the delivery of whole-of-Government policies, programs and services.

We work closely with government agencies at all levels, industry and community representatives to:

- enable people to acquire skills and abilities to overcome disadvantage and limitations
- develop and implement social and economic initiatives to strengthen the capabilities of cultural groups, and Aboriginal and Torres Strait Islander individuals and communities.

Our responsibilities include:

- acting to remove the barriers to home ownership on Indigenous land, particularly addressing land tenure issues for Indigenous Queenslanders
- reviewing Alcohol Management Plans in consultation with Indigenous communities
- delivering opportunities for change in education, health and employment for Indigenous Queenslanders
- supporting the continued development and growth of strong multicultural communities.

The following five key result areas and related strategic objectives, as identified in our 2012-16 Strategic Plan, are the mechanism by which we will deliver on the Government's objectives for the community and its commitments:

- **Economic independence:** promote, broker and advocate for increased economic opportunities and improved access to home ownership and social housing. This departmental objective contributes to the Government's objective for the community – grow a four pillar economy.
- **Quality frontline services:** promote and advocate for improved access to quality, appropriate and responsive education and health frontline services and deliver quality personal history services and essential retailing services. These departmental objectives contribute to the Government's objective for the community – revitalise frontline services for families.
- **Culturally vibrant communities:** promote, monitor and advocate for the recognition and protection of Queensland's cultural heritage. This departmental objective contributes to the Government's objective for the community – deliver better infrastructure and better planning.
- **Safe and resilient Queenslanders:** promote and advocate for improved safety and security of Queenslanders. This departmental objective contributes to the Government's objective for the community – revitalise frontline services for families.
- **Capable and agile organisation:** build a capable, innovative and responsive organisation within a tight fiscal environment. This departmental objective contributes to the Government's objective for the community – restore accountability in Government.

Environmental factors that impact on the delivery of our policies, programs and services include:

- the complexity and isolation of remote Indigenous communities
- increased demand for culturally appropriate services due to factors such as population growth across cultural and Indigenous groups
- an ageing workforce and increasing competition for skilled staff from other agencies and the non-government sector
- a tight fiscal environment.

The national reform agenda relating to health, education, housing and homelessness also impacts on the work of the department in supporting other government agencies.

These environmental factors present us with strategic opportunities to:

- provide high level advice and advocacy to improve Indigenous employment opportunities
- establish local partnerships and promote the development of community capacity to improve employment opportunities and the delivery of essential services
- lead the development of cultural capability across government agencies
- capitalise on the department's agility and responsiveness to deliver value for money services.

To assist in the repair of the fiscal position, over four years the department will save \$2.2 million on contractors, consultants, advertising and travel costs, and \$12.1 million on department-wide employee expenses. Savings of \$7.8 million over five years will also be made from reductions in programs including ministerial task forces, communications and publications, statistical reporting, grants and sponsorships, community programs and events, and the coordination of community initiatives. Multicultural grant funding will be refocussed to target priority community initiatives and programs aimed at delivering outcomes aligned to the Government's objectives for the community.

Aboriginal and Torres Strait Islander Affairs

In 2012-13 the department will:

- provide funding of \$5.7 million over two years (\$4.2 million in 2012-13) to continue the Cape York Welfare Reform trial (including the Family Responsibilities Commission) in four communities, for a further 12 months until 31 December 2013
- commence a review of the Alcohol Management Plans applied in discrete Aboriginal and Torres Strait Islander communities
- develop a revised whole-of-Government Queensland Aboriginal and Torres Strait Islander justice strategy
- complete consultation on the possible legal recognition of Torres Strait Islander adoptions/child-rearing practices
- implement the Learning Earning Active Places (LEAP) strategy to improve access to education, employment, health and housing opportunities for Aboriginal people and Torres Strait Islander people living in urban and regional areas
- develop an Aboriginal and Torres Strait Islander employment/economic development strategy
- work towards a target of 30 per cent of the total area of the State to be covered by registered cultural heritage bodies under Part 4 of the *Aboriginal Cultural Heritage Act 2003*
- continue to provide a range of quality food, drinks and variety products at a fair price in the six department-owned and operated Retail Stores in remote Indigenous communities, while promoting local employment, training and skills development
- provide \$0.94 million to complete the construction of a new Retail Store on Saibai Island in Torres Strait
- continue to improve housing and development opportunities for remote Indigenous communities by working closely with stakeholders at all levels of government to finalise land use planning schemes, negotiate Native Title compliance where required, progress road network surveys, address land tenure issues and maximise training and employment opportunities from capital expenditure¹

¹ The 16 discrete Indigenous local government areas in Queensland with which the Remote Indigenous Land and Infrastructure Program Office works are Aurukun, Cherbourg, Doomadgee, Hope Vale, Kowanyama, Lockhart River, Mapoon, Mornington Island, Napranum, Northern Peninsula Area (five communities), Palm Island, Pormpuraaw, Torres Strait Islands region (15 communities), Woorabinda, Wujal Wujal and Yarrabah.

- provide \$3.8 million in 2012-13 for the continuation of the Cape York Tenure Resolution Program in partnership with the Department of National Parks, Recreation, Sport and Racing.

In 2011-12 the department:

- continued to implement the Cape York Welfare Reform trial with initiatives focused on strengthening parental and social responsibility, and improving educational outcomes and job opportunities in Hope Vale, Aurukun, Mossman Gorge and Coen
- coordinated the whole-of-Government Alcohol Management Reform Program to deliver services that improve safety in Indigenous communities
- developed, in partnership with other agencies, the whole-of-Government Queensland Aboriginal and Torres Strait Islander justice strategy – *Just Futures 2012-2015* – to improve safety in Indigenous urban, regional and remote communities
- released the Learning Earning Active Places (LEAP) strategy to improve access to education, employment, health and housing opportunities for Aboriginal people and Torres Strait Islander people living in urban and regional areas
- supported improvements in housing outcomes and development opportunities for 16 discrete remote Indigenous communities by resolving land tenure issues, completing lease (lot) surveys and preparing land use planning schemes
- published the second *Annual Highlights Report for Queensland's Discrete Indigenous Communities July 2010–June 2011* providing detailed trend analysis on key indicators
- registered four new cultural heritage bodies reaching 26.37 per cent state coverage and registered 40 new cultural heritage management plans under the *Aboriginal Cultural Heritage Act 2003*
- completed responses to a total of 655 community and personal history requests
- upgraded point of sale systems in all six department-owned and operated Retail Stores in remote Indigenous communities, and promoted local employment, training and skills development with employees achieving 73 National Retail Institute qualifications.²

Multicultural Affairs

In 2012-13 the department will:

- coordinate the implementation of the *Queensland Multicultural Policy: A Multicultural Future for All of Us* and the *Queensland Government Language Services Policy* which together set the strategic direction for improving access to services and achieving more positive outcomes for Queensland's culturally and linguistically diverse community
- support the continued development and growth of strong multicultural communities across Queensland through funding initiatives that promote multiculturalism
- establish a Queensland Settlement Committee to align services to better meet the needs of migrants and refugees.

In 2011-12 the department:

- launched the *Queensland Multicultural Policy: A Multicultural Future for All of Us* and the *Queensland Government Language Services Policy*
- awarded funding totalling \$1 million to 174 multicultural events and community projects throughout Queensland to help deliver projects and events to foster harmonious community relations and participation, and build community capacity
- hosted events celebrating and promoting cultural diversity and the achievements of culturally and linguistically diverse Queenslanders

² Staff numbers in the Retail Stores fluctuate as in the retail sector generally. The headcount on any given day is approximately 80 staff or 50–60 FTEs.

Departmental Budget Summary¹

The table below shows the total resources available in 2012-13 from all sources and summarises how resources will be applied by service area and by controlled and administered classifications

Department of Aboriginal and Torres Strait Islander and Multicultural Affairs	2011-12 Adjusted Budget \$'000	2011-12 Est. Actual \$'000	2012-13 Estimate \$'000
CONTROLLED			
Income			
Appropriation for services			
Deferred from previous year/s	2,817	2,713	23,187
Balance of service appropriation	5,026	2,145	41,011
Other revenue	9,067	9,711	72,856
Total income	16,910	14,569	137,054
Expenses			
Aboriginal and Torres Strait Islander Services	15,443	13,162	131,948
Multicultural Services	1,364	1,304	4,800
Total expenses	16,807	14,466	136,748
Operating surplus/deficit	103	103	306
Net assets	34,163	34,163	34,469
ADMINISTERED			
Revenue			
Commonwealth revenue	..	..	..
Appropriation of administered items	..	..	..
Other administered revenue	903	903	3,715
Total revenue	903	903	3,715
Expenses			
Transfers to government	..	..	..
Administered expenses	903	903	3,715
Total expenses	903	903	3,715
Net assets	..	..	506
APPROPRIATIONS			
Controlled Items			
Departmental services ²	7,843	16,288	52,768
Equity adjustment	..	..	..
Administered items	903	903	3,715
VOTE TOTAL³	8,746	17,191	56,483

Notes:

1. The Department of Aboriginal and Torres Strait Islander and Multicultural Affairs was created in April 2012 as a result of machinery-of-Government changes. Consequently, the 2011-12 Adjusted Budget and 2011-12 Estimated Actual in the Departmental Budget Summary and financial statements reflects two months of activities, whilst the 2012-13 Estimate contains a full year's budget.
2. Appropriations for departmental services are different to service revenue recognised in the Income Statement due to appropriation payables and receivables recognised at the end of the financial year.
3. As represented in the 2012-13 Appropriation Bills. The Vote total for 2011-12 Adjusted Budget and 2011-12 Estimated Actual does not agree to the 2011-12 Appropriation Act due to machinery-of-Government changes during 2011-12.

Budget Measures Summary

The table shows a summary of Budget measures relating to the department since the 2011-12 Budget. Further details are contained in Budget Paper No. 4.

Department of Aboriginal and Torres Strait Islander and Multicultural Affairs	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000
Revenue measures					
Up to and including 2011-12 MYR					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..
2012-13 Budget					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..
Total revenue measures					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..
Expense measures					
Up to and including 2011-12 MYR					
Administered	..	..	..	..	..
Departmental	352	..	..	..	..
2012-13 Budget					
Administered	..	800	800	..	..
Departmental	(60)	3,318	(5,310)	(5,922)	(5,922)
Total expense measures					
Administered	..	800	800	..	..
Departmental	292	3,318	(5,310)	(5,922)	(5,922)
Capital measures					
Up to and including 2011-12 MYR					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..
2012-13 Budget					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..
Total capital measures					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..

Staffing¹

	Notes	2011-12 Adjusted Budget	2011-12 Est. Actual	2012-13 Estimate
TOTAL	2	401	381	363

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. 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.

SERVICE PERFORMANCE

Our service areas are:

Aboriginal and Torres Strait Islander Affairs which provides whole-of Government Indigenous policy leadership, co-ordination and monitoring, and the delivery of services to Aboriginal and Torres Strait Islander Queenslanders. This includes: key policy and program initiatives in the areas of employment and economic development; land tenure resolution; social housing and development opportunities; cultural heritage legislation; cultural capability and engagement; and the Cape York Welfare Reform trial. It also includes client-based activities such as managing the six Retail Stores the department owns and providing community and personal histories services.

Multicultural Affairs which provides whole-of-Government policy leadership and engagement for people from diverse cultural backgrounds. This includes: policy and program initiatives such as the *Queensland Multicultural Policy: A Multicultural Future for All of Us*; and the Local Area Multicultural Partnerships and Community Action for a Multicultural Society programs.

These service areas contribute directly to the department's strategic objectives and to the delivery of the Government's objectives for the community.

2012-13 Service Summary

Service area	Sources of Revenue				
	Total cost \$'000	State Contribution \$'000	User Charges \$0'000	C'wealth Revenue \$'000	Other Revenue \$'000
Aboriginal and Torres Strait Islander Services	131,948	59,291	26,392	..	46,464
Multicultural Services	4,800	4,907	..	..	..
Total	136,748	64,198	26,392	..	46,464

Note:

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

Performance Statement

	Notes	2011-12 Target/est.	2011-12 Est. Actual	2012-13 Target/est.
Service Area: Aboriginal and Torres Strait Islander Affairs				
Service standards				
Level of key stakeholders' satisfaction with the advice, information and support provided by ATSIA	1	75%	69%	75%
Proportion of communities with:	2			
• Completed road network survey plan		75% completed	75%	100%
• Indigenous Land Use Agreements to facilitate the remote Indigenous housing program	3, 4	50% completed	60%	75%
• Statutory Planning Policy compliant planning schemes finalised	5	50% completed	60%	75%
Other measures				
Average time taken to finalise a priority Community and Personal History request		6 months	6 months	6 months
No. of Ministerial Indigenous Roundtables, Queensland Aboriginal and Torres Strait Islander Advisory Council meetings and official visits to discrete communities, led by ATSIA with key stakeholders to develop strategic policy positions, to progress initiatives, and to improve service delivery	6	21	25	21
State contribution (\$000)	7, 8, 9	6,480	3,555	59,291
Other revenue (\$000)		9,067	9,710	72,856
Total cost (\$000)	10, 11, 12	15,443	13,162	131,948
Service Area: Multicultural Affairs				
Service standards				
Expenditure on translator and interpreter services	13	\$1.8 to \$2.0 million	\$1.7 million	..

	Notes	2011-12 Target/est.	2011-12 Est. Actual	2012-13 Target/est.
Other measure				
Number of grants provided through the annual grants round	14	120	174	60
State contribution (\$000)	15	1,363	1,303	4,907
Other revenue (\$000)		..	1	..
Total cost (\$000)		1,364	1,304	4,800

Notes:

1. In 2011-12 this measure related to that part of the department that comprised the Aboriginal and Torres Strait Islander Services area of the former Department of Communities.
2. The 16 discrete Indigenous local government areas in Queensland with which the Remote Indigenous Land and Infrastructure Program Office works are Aurukun, Cherbourg, Doomadgee, Hope Vale, Kowanyama, Lockhart River, Mapoon, Mornington Island, Napranum, Northern Peninsula Area (five communities), Palm Island, Pormpuraaw, Torres Strait Islands region (15 communities), Woorabinda, Wujal Wujal and Yarrabah.
3. In addition to Indigenous Land Use Agreements (ILUA), Native Title compliance can also be achieved through section s24JAA of the *Native Title Act 1993* (Cth).
4. To date, Social Housing ILUAs have been agreed for Woorabinda and Kubin (one of the Torres Strait Island region communities). Native Title compliance is also being achieved through s24JAA (see note 4).
5. Twelve Land Use Planning Schemes (75%) will be finalised by the end of 2012-13.
6. The 2011-12 Estimated actual comprises one Ministerial Indigenous Roundtable, three Queensland Aboriginal and Torres Strait Islander Advisory Council (QATSIAC) meetings and 21 significant engagement activities across Queensland, such as negotiation tables.
7. Decrease from 2011-12 Target/estimate to 2011-12 Estimated actual primarily relates to the deferral of funding for grant programs and Cape York Welfare Reform program management budgets.
8. Increase from 2011-12 Target/estimate to 2012-13 Target/estimate reflects the difference in the length of the time period reported from two months for 2011-12 to twelve months for 2012-13.
9. Increase from 2011-12 Estimated actual to 2012-13 Target/estimate reflects the difference in the length of the time period reported from two months for 2011-12 to twelve months for 2012-13 and the deferral of funding for grant expenditure from 2011-12.
10. Decrease from 2011-12 Target/estimate to 2011-12 Estimated actual primarily relates to the deferral of grant programs and Cape York Welfare Reform program management budgets.
11. Increase from 2011-12 Target/estimate to 2012-13 Target/estimate reflects the difference in the length of the time period reported from two months for 2011-12 to twelve months for 2012-13.
12. Increase from 2011-12 Estimated actual to 2012-13 Target/estimate reflects the difference in the length of the time period reported from two months for 2011-12 to twelve months for 2012-13 and the deferral of funding for grant expenditure from 2011-12.
13. This measure provides total translator and interpreter expenditure by the whole of the former Department of Communities for the 2011-12 reporting period. This measure will be reviewed during 2012-13. No Target/Estimate has been set for 2012-13 as the scope of the measure is no longer relevant.
14. Increase from 2011-12 Target/estimate to Estimated actual mainly reflects deferrals from 2010-11. Decrease from 2011-12 Target/estimate to 2012-13 Target/estimate reflects reduced grant funding due to budget savings measures.
15. Increase from 2011-12 Target/estimate and 2011-12 Estimated actual to 2012-13 Target/estimate reflects the difference in the length of the time period reported from two months for 2011-12 to 12 months for 2012-13.

Administered Items

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

The Department of Aboriginal and Torres Strait Islander and Multicultural Affairs administers funds on behalf of the State which include payments to the Family Responsibilities Commission under the Cape York Welfare Reform program, royalty payments to the Western Cape Community Trust, and the Aborigines Welfare Fund.

Payments to the Family Responsibilities Commission cover core operating costs so that the Commission can support Cape York Welfare Reform community members to restore socially responsible standards of behaviour, local authority and wellbeing for themselves and their families.

The funding for the royalty payments is to cover an annual payment that the Queensland Government is required to pay to the trustee of the Western Cape Community Trust under the Western Cape Communities Co-Existence Agreement. The objective of the Western Cape Community Trust is to promote and benefit the general welfare of the communities described in the Western Cape Communities Co-Existence Agreement, including the Aboriginal communities and Traditional Owners of the Western Cape York Peninsula.

The majority of the Aborigines Welfare Fund has been transferred to the Queensland Aboriginal and Torres Strait Islander Foundation with the remaining balance retained for payments on deceased estates that were paid into the Aborigines Welfare Fund under the provisions of the *Aboriginals Preservation and Protection Act 1939*.

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

CAPITAL

Capital program

Total capital purchases for the Department of Aboriginal and Torres Strait Islander and Multicultural Affairs is \$2.4 million in 2012-13. Total capital grants for the department will be \$1.2 million.

Capital includes \$1.9 million for the ongoing replacement and acquisition of plant and equipment, including Retail Store facility upgrades. The Retail Stores replacement program is self-funded from retained earnings.

Capital Grants include \$0.94 million in 2012-13 to complete the construction by the Islanders Board of Industry and Service (IBIS) of a new IBIS retail store on Saibai Island; and \$0.22 million in 2012-13 for the refurbishment of a retail precinct to support small businesses and economic opportunities in the Hope Vale Indigenous community.

Capital budget statement

Department of Aboriginal and Torres Strait Islander and Multicultural Affairs	Notes	2011-12 Adjusted Budget \$'000	2011-12 Est. Actual \$'000	2012-13 Estimate \$'000
Capital Purchases¹				
Total land, buildings and infrastructure	1	66	66	213
Total plant and equipment	1	255	255	2,080
Total other capital	1	..	..	111
Total Capital Purchases		321	321	2,404

Note:

1. For more detail on the department's capital acquisitions please refer to Budget Paper

BUDGETED FINANCIAL STATEMENTS

Analysis of budgeted financial statements

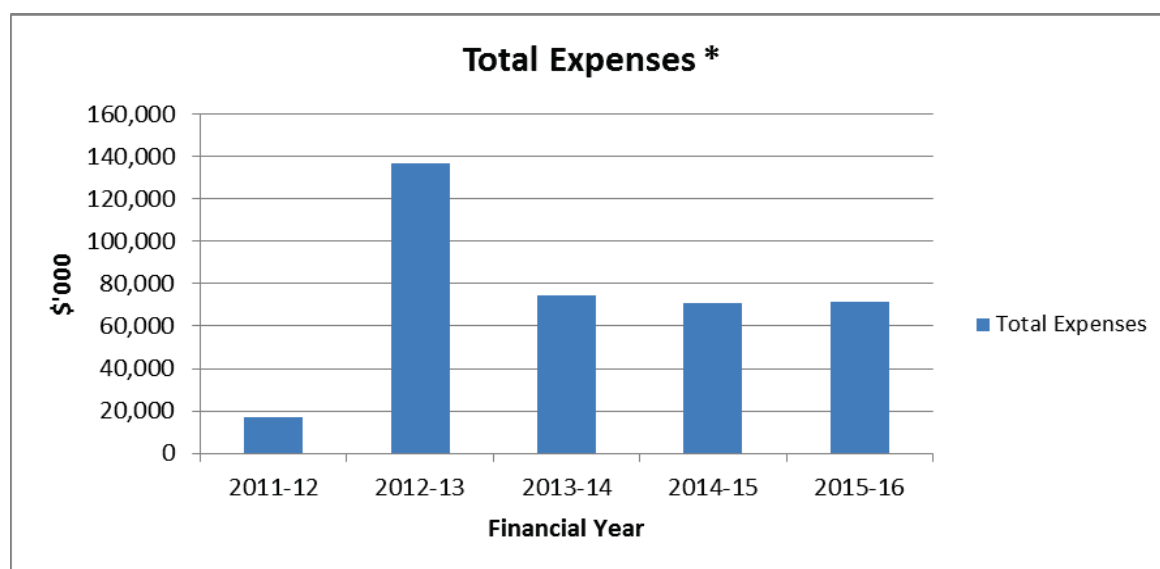
Departmental income statement

Total expenses are estimated to be \$137 million in 2012-13, an increase of \$120 million from the 2011-12 adjusted budget. The increase is mainly due to machinery-of-Government changes in 2011-12 which have resulted in two months activities being shown in 2011-12 compared to 2012-13 which contains a full year's budget.

In addition, the increase in the 2012-13 estimate includes additional and deferred non-recurrent Commonwealth grant funded expenditure related to the Remote Indigenous Land and Infrastructure Program, additional non-recurrent funding for the Cape York Tenure Resolution program and the Cape York Welfare Reform program and other deferrals, offset by savings.

The decrease in the out years is a result of the finalisation of non-recurrent funding for grant programs including the Cape York Welfare Reform program and budget savings measures.

Chart: Total departmental expenses across the Forward Estimates period



*Direct comparison cannot be made between expenses in the 2011-12 year and expenses in the 2012-13 and subsequent years because of machinery-of-government changes which took place in 2011-12.

Departmental balance sheet

The department's major assets are in buildings (\$19 million) and cash (\$6 million) and these categories are expected to increase by 0% and 3% respectively over the next three years. The department's main liabilities relate to payables of an operating nature and are not estimated to increase by 2015-16.

INCOME STATEMENT

Department of Aboriginal and Torres Strait Islander and Multicultural Affairs	Notes	2011-12 Adjusted Budget \$'000	2011-12 Est. Act. \$'000	2012-13 Estimate \$'000
Income				
Service revenue	1, 2, 4	7,843	4,858	64,198
User charges	5	3,984	3,984	26,392
Grants and other contributions	3, 6	5,032	5,676	45,853
Other revenue		51	51	611
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		16,910	14,569	137,054
Expenses				
Employee expenses	1, 2	6,431	5,963	36,344
Supplies and services	1, 2	6,832	5,448	42,417
Grants and subsidies	1, 2, 3	3,042	2,634	55,298
Depreciation and amortisation	7	328	328	2,404
Finance/borrowing costs		..	..	..
Other expenses		174	93	285
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		16,807	14,466	136,748
OPERATING SURPLUS/(DEFICIT)		103	103	306

STATEMENT OF CHANGES IN EQUITY

Department of Aboriginal and Torres Strait Islander and Multicultural Affairs	Notes	2011-12 Adjusted Budget \$'000	2011-12 Est. Act. \$'000	2012-13 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		103	103	306
Total recognised income and expense for the period		103	103	306
Equity injection/(withdrawal)				
Equity adjustments (MoG transfers)		34,060	34,060	..
Total movement in equity for period		34,163	34,163	306

BALANCE SHEET

Department of Aboriginal and Torres Strait Islander and Multicultural Affairs	Notes	2011-12 Adjusted Budget \$'000	2011-12 Est. Act. \$'000	2012-13 Estimate \$'000
CURRENT ASSETS				
Cash assets	8, 10	5,969	17,399	6,275
Receivables	9, 11	499	1,807	499
Other financial assets		..	..	..
Inventories		2,914	2,914	2,914
Other		16	16	16
Non-financial assets held for sale		..	..	..
Total current assets		9,398	22,136	9,704
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		26,234	26,234	26,234
Intangibles		261	261	261
Other		..	..	..
Total non-current assets		26,495	26,495	26,495
TOTAL ASSETS		35,893	48,631	36,199
CURRENT LIABILITIES				
Payables	8, 10	1,509	14,247	1,509
Accrued employee benefits		221	221	221
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		1,730	14,468	1,730
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	..	..
TOTAL LIABILITIES		1,730	14,468	1,730
NET ASSETS/(LIABILITIES)		34,163	34,163	34,469
EQUITY				
Capital/contributed equity		34,060	34,060	34,060
Accumulated surplus/(accumulated deficit)		103	103	409
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		34,163	34,163	34,469

CASH FLOW STATEMENT

Department of Aboriginal and Torres Strait Islander and Multicultural Affairs	Notes	2011-12 Adjusted Budget \$'000	2011-12 Est. Act. \$'000	2012-13 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts	12, 15, 18	7,843	16,288	52,768
User charges	19	3,984	3,984	26,392
Grants and other contributions	13, 16, 20	5,032	5,676	45,853
Other		51	51	611
Outflows:				
Employee costs	14	(6,431)	(5,963)	(36,344)
Supplies and services	14	(6,832)	(5,448)	(42,417)
Grants and subsidies	13, 14, 17	(3,042)	(2,634)	(55,298)
Borrowing costs		..	..	..
Other		(174)	(93)	(285)
Net cash provided by/(used in) operating activities		431	11,861	(8,720)
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	21	(321)	(321)	(2,404)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		(321)	(321)	(2,404)
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		110	11,540	(11,124)
Cash at the beginning of financial year		..	..	17,399
Cash transfers from restructure		5,859	5,859	..
Cash at the end of financial year		5,969	17,399	6,275

ADMINISTERED INCOME STATEMENT

Department of Aboriginal and Torres Strait Islander and Multicultural Affairs	Notes	2011-12 Adjusted Budget \$'000	2011-12 Est. Act. \$'000	2012-13 Estimate \$'000
Revenues				
Commonwealth grants		..	..	..
Taxes, fees and fines		..	..	..
Royalties, property income and other territorial Revenue		..	..	..
Interest		..	..	..
Administered revenue	22, 23	903	903	3,715
Other		..	..	..
Total revenues		903	903	3,715
Expenses				
Supplies and services		..	..	..
Depreciation and amortisation		..	..	..
Grants and subsidies	22, 23	903	903	3,715
Benefit payments		..	..	..
Borrowing costs		..	..	..
Other		..	..	..
Total expenses		903	903	3,715
Net surplus or deficit before transfers to Government		..	..	..
Transfers of administered revenue to Government		..	..	..
OPERATING SURPLUS/(DEFICIT)		..	..	..

ADMINISTERED BALANCE SHEET

Department of Aboriginal and Torres Strait Islander and Multicultural Affairs	Notes	2011-12 Adjusted Budget \$'000	2011-12 Est. Act. \$'000	2012-13 Estimate \$'000
CURRENT ASSETS	24, 25			
Cash assets		..	..	506
Receivables		..	..	..
Inventories		..	..	..
Other		..	..	..
Non-financial assets held for sale		..	..	..
Total current assets		..	..	506
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		..	..	..
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		..	..	..
TOTAL ADMINISTERED ASSETS		..	..	506
CURRENT LIABILITIES	24, 25			
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)		..	..	506
EQUITY	24, 25			
Capital/Contributed equity		..	..	506
Accumulated surplus/(Accumulated deficit)		..	..	..
Reserves:		..	..	..
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL ADMINISTERED EQUITY		..	..	506

ADMINISTERED CASH FLOW STATEMENT

Department of Aboriginal and Torres Strait Islander and Multicultural Affairs	Notes	2011-12 Adjusted Budget \$'000	2011-12 Est. Act. \$'000	2012-13 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Administered item receipts	26, 27	903	903	3,715
Grants and other contributions		..	..	..
Taxes, fees and fines		..	..	..
Royalties, property income and other territorial revenues		..	..	..
Other		..	..	..
Outflows:				
Transfers to Government		..	..	..
Grants and subsidies	26, 27	(903)	(903)	(3,715)
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		..	..	506
Administered cash at end of financial year		..	..	506

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

The Department of Aboriginal and Torres Strait Islander and Multicultural Affairs was created in April 2012 as a result of machinery-of-Government changes. Consequently, the 2011-12 Adjusted Budget and 2011-12 Estimated Actual in the department's financial statements reflect two months of activities whilst the 2012-13 Estimate contains a full year's budget. The two months of activities do not represent an even proportion of full year costs due to reduced expenditure during the caretaker period and implementation of machinery-of-Government changes.

Major variations between 2011-12 Adjusted Budget and 2011-12 Estimated actual include:

1. The decrease in service revenue, employee expenses, supplies and services and grants and subsidies expenses primarily relates to the deferral of the Cape York Welfare Reform program management costs and associated grants following the extension of the program.

Major variations between 2011-12 Adjusted Budget and 2012-13 Estimate include:

2. The increase in service revenue, employee expenses, supplies and services and grants and subsidies expenses primarily relates to the deferral of the Cape York Welfare Reform program management costs and associated grants to 2012-13.
3. The increase in grants and other contributions revenue and expenses relates to additional non-recurrent funding for the Remote Indigenous Land and Infrastructure Program Office for infrastructure development capital grants and lease surveys.

Major variations between 2011-12 Estimated actual and 2012-13 Estimate include:

4. The increase in service revenue primarily relates to deferrals for the Cape York Welfare Reform program management and grants, other grant deferrals including the Closing the Gap Fund and Community Safety Plans delayed due to machinery-of-Government changes.
5. The increase in user charges relates to planned increases in sales revenues for Retail Stores.
6. The increase in grants and other contributions revenue relates to deferrals for the Remote Indigenous Land and Infrastructure Program Office.
7. The increase in depreciation and amortisation reflects the timing of the capital expenditure program including Retail Stores plant, equipment and store upgrades.

Balance sheet

Major variations between 2011-12 Adjusted Budget and 2011-12 Estimated actual include:

8. The increase in cash assets and current payables reflects amounts payable for unrequired appropriation transferred for the Remote Indigenous Land and Infrastructure Program Office. This Office is funded through grants received from the Department of Housing and Public Works.
9. The increase in receivables is for appropriation to be received for grant payments in 2011-12 that were previously deferred including the Learning Earning Active Places program.

Major variations between 2011-12 Estimated actual and the 2012-13 Estimate include:

10. The decrease in cash assets and current payables reflects the return of unrequired appropriation in 2011-12 for the Remote Indigenous Land and Infrastructure Program Office.
11. The decrease in receivables is for appropriation received for grant payments in 2011-12.

Cash flow statement

Major variations between 2011-12 Adjusted Budget and 2011-12 Estimated actual include:

12. The increase in service receipts reflects appropriation funding received for the Remote Indigenous Land and Infrastructure Program Office to be returned in 2012-13. This is offset by a decrease relating to deferrals for the Cape York Welfare Reform program.
13. The increase in grants and other contributions relates to additional non-recurrent funding for the Remote Indigenous Land and Infrastructure Program Office for infrastructure development capital grants and lease surveys.
14. The decrease in employee costs, supplies and services and grants and subsidies relates to the deferral of the Cape York Welfare Reform program funding.

Major variations between 2011-12 Adjusted Budget and 2012-13 Estimate include:

15. The increase in service receipts relates to additional funding for the Cape York Welfare Reform program.
16. The increase in grants and other contributions relates to additional non-recurrent funding for the Remote Indigenous Land and Infrastructure Program Office for infrastructure development and lease surveys.
17. The increase in grants and subsidies relates to additional non-recurrent funding for the Remote Indigenous Land and Infrastructure Program Office for infrastructure development capital grants and deferral of the Cape York Welfare Reform program grants to 2012-13.

Major variations between 2011-12 Estimated actual and the 2012-13 Estimate include:

18. The increase in service receipts primarily relates to deferrals for the Cape York Welfare Reform program management and grants, other grant deferrals including the Closing the Gap Fund and Community Safety Plans delayed due to machinery-of-Government changes.
19. The increase in user charges relates to planned increases in sales revenues for Retail Stores.
20. The increase in grants and other contributions relates to deferrals and additional non-recurrent funding for the Remote Indigenous Land and Infrastructure Program Office.
21. The increase in payments for property, plant and equipment and intangibles reflects the timing of the capital expenditure program including Retail Stores plant, equipment and store upgrades.

Administered income statement

Major variations between 2011-12 Adjusted Budget and 2012-13 Estimate include:

22. The increase in administered revenue and grants and subsidies expenses relates to funding for the Western Cape Community Trust transferred from the Department of Education, Training and Employment following the machinery-of-Government changes.

Major variations between 2011-12 Estimated actual and the 2012-13 Estimate include:

23. The increase in administered revenue and grants and subsidies expenses relates to funding for the Western Cape Community Trust transferred from the Department of Education, Training and Employment following the machinery-of-Government changes.

Administered balance sheet

Major variations between 2011-12 Adjusted Budget and 2012-13 Estimate include:

24. The increase in cash assets and contributed equity relates to the balance of the Aborigines Welfare Fund transferred after the machinery-of-Government changes.

Major variations between 2011-12 Estimated actual and the 2012-13 Estimate include:

25. The increase in cash assets and contributed equity relates to the balance of the Aborigines Welfare Fund transferred after the machinery-of-Government changes.

Administered cash flow statement

Major variations between 2011-12 Adjusted Budget and 2012-13 Estimate include:

26. The increase in administered receipts and grants and subsidies expense relates to funding for the Western Cape Community Trust transferred from the Department of Education, Training and Employment following machinery-of-Government changes.

Major variations between 2011-12 Estimated actual and the 2012-13 Estimate include:

27. The increase in administered receipts and grants and subsidies expense relates to funding for the Western Cape Community Trust transferred from the Department of Education, Training and Employment following machinery-of-Government changes.

STATUTORY BODY

FAMILY RESPONSIBILITIES COMMISSION

AGENCY OVERVIEW

Strategic direction

The purpose of the Family Responsibilities Commission (the Commission) is to support Cape York Welfare Reform (CYWR) trial community members to restore socially responsible standards of behaviour, local authority and wellbeing for themselves and their families. Core objectives of the Commission are focused on safeguarding and restoring child safety, school attendance, lawful behaviour and responsible tenancy. The Commission fulfils this function by conducting conferences with people who live in the trial communities, who are recipients of a welfare payment, and who have been notified to the Commission by a government agency for having failed to enrol or send a child to school, being convicted of an offence in the Magistrates Court, breaching a tenancy agreement or being the subject of a child safety report.

The Commission aims 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 authority and influence the wider acceptance of socially responsible standards of behaviour; and enhance community engagement and promote understanding of the Commission's role.

The Commission's activities support the CYWR trial and the Government's objectives for the community to:

- revitalise front-line services by providing effective and efficient client services
- restore accountability in government by strengthening collaborative cross-agency partnerships to support local Indigenous authorities and influence the wider acceptance of socially responsible standards of behaviour.

Factors impacting on Commission operations include the:

- number of notices received from government agencies
- ability of clients to attend at referred agencies for service provision
- quality and consistency of programs offered by service providers.

RESOURCES AND PERFORMANCE

In 2011-12 the Commission:

- maintained efficient and effective operations within budget while responding to significantly fluctuating agency notice numbers and, client numbers, and the changing environment of external service providers
- continued to encourage the Local Commissioners to conference independently as provided for under the *Family Responsibilities Commission Act 2008* (the Act).

In 2012-13 the Commission will:

- continue collaboration with service providers to develop and improve case management outcomes for the Commission's referred clients
- implement improvements and refinements informed by the evaluation findings to be released in 2012-13.

STATEMENTS

Staffing

Family Responsibilities Commission	Notes	2011-12 Budget	2011-12 Est. actual	2012-13 Estimate
	1, 2, 3	24	18	18

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. FTEs decreased due to a review of duties which enabled the combination of positions.
3. The Commissioner and Registrar's positions are the only positions that are backfilled when leave is taken. The backfill is on an as needs basis.

Performance Statement

Family Responsibilities Commission	Notes	2011-12 Target/est.	2011-12 Est. actual	2012-13 Target/Est.
Measures				
Number of clients subject to agency notifications	1	680	832	860
Number of agency notifications received	2, 3, 4, 5, 6, 7, 8	3,300	4,434	5,430
Number of child safety and welfare notifications received	9	220	183	135
Number of school attendance notifications received	4, 5, 6	1,340	1,982	2,630
Number of school enrolment notifications received	10	10	0	0
Number of housing tenancy notifications received		35	34	35
Number of Magistrates Court notifications received	7, 8, 11	1,730	2,235	2,630
Number of notifications of conference issued		1,560	1,587	1,585
Number of clients who are on orders to attend support services		170	186	185
Number of client service referrals	12	390	465	520
Number of clients with conference outcomes recommending no further action	13, 14, 15	700	321	320

Family Responsibilities Commission	Notes	2011-12 Target/est.	2011-12 Est. actual	2012-13 Target/Est.
Number of clients subject to Conditional Income Management (CIM)		210	208	211
State contribution (\$000)		2,860	3,412	1,800
Other revenue (\$000)		75	592	1,554
Total cost (\$000)		4,135	4,225	4,486

Notes:

1. The volume of clients subject to agency notifications increased in 2011-12 due, in part, to a change in business processes in education. The changes incorporate the listing of all known adult occupants of the household the child resides in and others who are directly or indirectly responsible for the child's care. The flow-on effect is that more people, in particular all of the responsible carers of the child that are living in the community, are now listed on the Department of Education, Training and Employment School Attendance notifications.
2. Agency notifications are received and processed for in jurisdiction and out of jurisdiction. Section 49 of the Act provides that the Commission can deal with an agency notification relating to a community member. Section 7 of the Act defines a community member as being a person who is a welfare recipient and who also lives in one of the four CYWR communities or has lived there for a period of three months since 1 July 2008. A notification relating to a person who does not fall within this category is determined to be an out of jurisdiction notification.
3. The volume of agency notifications received in 2011-12 increased due to the increase in School Attendance and Magistrates Court out of jurisdiction notifications and the increase of in jurisdiction School Attendance notifications.
4. School Attendance notifications are agency notifications received from the Department of Education, Training and Employment 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.
5. The volume of School Attendance notifications increased in 2011-12 due in part to a change in business processes in education. The changes incorporate the listing of all known adult occupants of the household the child resides in and others who are directly or indirectly responsible for the child's care. The flow-on effect is that more people, in particular all of the responsible carers of the child that are living in the community, are now listed on the Department of Education, Training and Employment School Attendance notifications.
6. The volume of School Attendance notifications also increased as a result of the rise in out of jurisdiction notifications for Hope Vale and Aurukun. The increase is due to factors such as itinerant population movement or that the person is not a welfare recipient.
7. Magistrates Court notifications increased in 2011-12 as a result of the flow on effect of increases in the jurisdiction of the Magistrates Court and increases in out of jurisdiction notifications. In September 2010 the jurisdiction of the Magistrates Courts was increased due to the 'Moynihan amendments' which allowed more serious matters to be dealt with in the Magistrates Courts.
8. The volume of Magistrates Court out of jurisdiction notifications increased in 2011-12 for Mossman Gorge. The improved work opportunities in Mossman Gorge and any itinerant population movement increase the volume of out of jurisdiction notifications.
9. The volume of Child Safety and Welfare notifications decreased more than was forecast in 2011-12. This is in part due to a change in the notification method of children who are perceived to be at risk with the introduction of the Child Safety Services Far North Regional Intake Service (RIS) and the re-allocation of funding for the four Child Safety Officer positions that had formally been dedicated specifically to the Commission.
10. No School Enrolment notifications were received in 2011-12. It is anticipated that no, or very low numbers, of this type of notification will be received in 2012-13. Tracking the children that are to commence schooling and those who are outside of the State schooling system can be complex and onerous for agencies due, in part, to the geographical location and itinerant tendencies of students and families.

11. The net volume of Magistrates Court notifications received increased in 2011-12. It is an indication of the positive results of the Commission that the volume of in jurisdiction Magistrates Court notifications decreased. The net volume increased due to the increase of out of jurisdiction Magistrates Court notifications.
12. The volume of client service referrals increased in 2011-12 due to more referrals made, in particular, to MPower and the Wellbeing Centre. The service providers were perceived to have improved capacity to provide the necessary services to the Commission's clients due to the higher rate of staff retention.
13. The number of clients with conference outcomes recommending no further action decreased in 2011-12 due, in part, to the basis of the calculation for the 2011-12 target/estimate. The 2011-12 target/estimate was based on the number of conferences with an outcome of no further action rather than the number of clients with conference outcomes recommending no further action.
14. Clients with outcomes recommending no further action are those clients for 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.
15. It is preferable, when possible, to monitor the clients and re-conference with them in the future to track their progress.

INCOME STATEMENT

Family Responsibilities Commission	Notes	2011-12 Budget \$'000	2011-12 Est. act. \$'000	2012-13 Estimate \$'000
Income				
User charges		..	..	..
Grants and other contributions	1,9,15	2,860	3,412	1,800
Other revenue	2,3,8,14	75	592	1,554
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		2,935	4,004	3,354
Expenses				
Employee expenses	4,10,16	2,446	2,749	3,019
Supplies and services	5,11,17	1,591	1,328	1,411
Grants and subsidies		..	..	..
Depreciation and amortisation	6,12,18,19	57	102	12
Finance/borrowing costs		..	..	..
Other expenses		41	46	44
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		4,135	4,225	4,486
OPERATING SURPLUS/(DEFICIT)	7,13,20	(1,200)	(221)	(1,132)

STATEMENT OF CHANGES IN EQUITY

Family Responsibilities Commission	Notes	2011-12 Budget \$'000	2011-12 Est. act. \$'000	2012-13 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		(1,200)	(221)	(1,132)
Total recognised income and expense for the period		(1,200)	(221)	(1,132)
Equity injection/(withdrawal)	
Equity adjustments (MoG transfers)	
Total movement in equity for period		(1,200)	(221)	(1,132)

BALANCE SHEET

Family Responsibilities Commission	Notes	2011-12 Budget \$'000	2011-12 Est. act. \$'000	2012-13 Estimate \$'000
CURRENT ASSETS				
Cash assets	21,24,27	60	1,538	177
Receivables		40	17	10
Other financial assets		..	..	..
Inventories		..	..	..
Other		..	11	10
Non-financial assets held for sale		..	..	..
Total current assets		100	1,566	197
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	28	2	11	..
Intangibles	22,26	26	..	..
Other		..	..	..
Total non-current assets		28	11	..
TOTAL ASSETS		128	1,577	197
CURRENT LIABILITIES				
Payables	23,25,29,30	120	307	100
Accrued employee benefits	25,30	250	232	200
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		370	539	300
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	..	..
TOTAL LIABILITIES		370	539	300
NET ASSETS/(LIABILITIES)		(242)	1,038	(103)
EQUITY				
Capital/contributed equity		..	..	..
Accumulated surplus/(accumulated deficit)		(242)	1,038	(103)
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		(242)	1,038	(103)

CASH FLOW STATEMENT

Family Responsibilities Commission	Notes	2011-12 Budget \$'000	2011-12 Est. act. \$'000	2012-13 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges		..	..	..
Grants and other contributions	31,37,41,44	2,860	3,877	1,800
Other	32,36,42,43	75	575	1,552
Outflows:				
Employee costs	33,38,45	(2,446)	(2,758)	(3,051)
Supplies and services	34,39,46	(1,591)	(1,084)	(1,618)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(41)	(46)	(44)
Net cash provided by/(used in) operating activities		(1,143)	564	(1,361)
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		(1,143)	564	(1,361)
Cash at the beginning of financial year		1,203	974	1,538
Cash transfers from restructure		..	..	..
Cash at the end of financial year	35,40,47	60	1,538	177

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

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

1. The estimated actual for 2011-12 includes reimbursement revenue from the State Government for the costs incurred due to additional conferencing in Aurukun in 2010 and additional IT costs that were related to hardware/software upgrade of the Commission's servers.
2. The 2011-12 estimated actual other revenue includes Australian Government funding of \$0.5 million towards operating expenses.
3. The estimated actual other revenue includes \$0.03 million in expenditure recovered from 2010-11.
4. Employment expenses increased in the 2011-12 estimated actual due to an increased number of Local Commissioners being paid via the payroll system rather than via the accounts payable system, incurring payroll tax debt and penalties due to incorrect payroll tax rebate claims in prior fiscal years and in accordance with the current State Government Departments Certified Agreement (CA).
5. The 2011-12 estimated actual for supplies and services decreased due to the increased number of Local Commissioners being paid via the payroll system rather than via the accounts payable system and due to multiple cost saving measures that were implemented. These measures include, but are not limited to, decreased expenditure in the areas of external IT support, agency staff, communication, printing and stationery and motor vehicles.
6. The 2011-12 estimated actual depreciation and amortisation were accelerated due to the limited lifespan of the Commission.
7. The result of an operating deficit in the 2011-12 estimated actual is due to surplus funds carried forward from prior years and budgeted for use in this period. Prepaid contributions are accounted for in the period received and expenditure is accounted for in the period it is incurred.

Major variations between 2011-12 Budget and 2012-13 Estimate include:

8. The 2012-13 estimate includes increased other revenue of \$1.5 million Australian Government funding towards operating expenses.
9. Grant revenue from the State Government decreases from \$2.6 million to \$1.8 million in the 2012-13 estimate due to the increased funding from the Australian Government.
10. The 2012-13 estimate includes increased employment expenses due to the transition of the Local Commissioners' fees from the accounts payable system to the payroll system, recruitment and relocation of frontline staff (e.g. senior and remote staff on temporary contracts) and in accordance with the CA.
11. The 2012-13 estimate for supplies and services is decreased due to the increased number of Local Commissioners being paid via the payroll system rather than via the accounts payable system and due to multiple cost saving measures that were implemented in 2011-12. These measures include, but are not limited to, decreased expenditure in the areas of external IT support, agency staff, communication, printing and stationery and motor vehicles.
12. The 2012-13 estimate for depreciation and amortisation is decreased due to the asset value reaching parity with the written down amount.
13. The result of an operating deficit in the 2012-13 estimate is due to surplus funds carried forward from prior years and budgeted for use in this period. The surplus funds are comprised of prepaid contributions and savings due to increased cost control in 2011-12.

Major variations between 2011-12 Estimated actual and the 2012-13 Estimate include:

14. The 2012-13 estimate includes increased other revenue of \$1.5 million Australian Government funding towards operating expenses.
15. Grant revenue from the State Government decreased from \$2.6 million to \$1.8 million in the 2012-13 estimate due to the increased funding from the Australian Government.
16. Employment expenses have increased in the 2012-13 estimate due to the transition of the Local Commissioners' fees from the accounts payable system to the payroll system, recruitment and relocation of frontline staff (e.g. senior and remote staff on temporary contracts) and in accordance with the CA.
17. The 2012-13 estimate for supplies and services increased due to the movement in CPI and other known additional costs to be incurred that include, but are not limited to, property and travel.

18. The 2011-12 estimated actual depreciation and amortisation were accelerated due to the limited lifespan of the Commission.
19. The 2012-13 estimate for depreciation and amortisation is decreased due to the asset value reaching parity with the written down amount.
20. The result of an operating deficit in the 2012-13 estimate is due to surplus funds carried forward from prior years and budgeted for use in this period. The surplus funds are comprised of prepaid contributions and savings due to increased cost control in 2011-12.

Balance sheet

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

21. The 2011-12 estimated actual for cash assets increased due to reimbursement funding from the State Government for additional costs incurred and the receipt of \$1.6 million, of the \$2.6 million total funding, from the State Government for calendar year 2012.
22. The 2011-12 estimated actual for intangible assets is zero value due to assets being fully amortised.
23. The 2011-12 estimated actual for payables includes increased current liabilities due to the payroll tax debt and penalties incurred as the result of incorrect payroll tax rebate claims in prior years.

Major variations between 2011-12 Budget and 2012-13 Estimate include:

24. The decrease in the 2012-13 estimate for the cash assets is due to the depletion of the surplus funds carried forward from prior years.
25. The decrease in the 2012-13 estimate for the current liabilities is due to payment of accrued employee benefits and creditors.
26. The 2012-13 estimate for intangible assets is zero value due to assets being fully amortised in the 2011-12 estimated actual as a result of the limited life span of the Commission.

Major variations between 2011-12 Estimated actual and the 2012-13 Estimate include:

27. The decrease in the 2012-13 estimate for cash assets is due to the depletion of the surplus funds carried over from prior years.
28. The 2012-13 estimate for property, plant and equipment is based on the asset value being fully written down as a result of the limited life span of the Commission.
29. The 2011-12 estimated actual for payables was inflated due to the one off occurrence of a payroll tax debt and penalties that related to incorrect payroll tax rebate claims in prior years.
30. The decrease in the 2012-13 estimate for current liabilities is due to payment of accrued employee benefits and creditors.

Cash flow statement

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

31. The 2011-12 estimated actual grants and other contributions revenue includes debtor payments from 2010-11 and additional State Government funding for the reimbursement of additional costs incurred due to additional conferencing in Aurukun in 2010 and additional IT costs that were related to the hardware/software upgrade of the Commission's servers.
32. The 2011-12 estimated actual other revenue includes \$0.5 million Australian Government funding towards operating expenses.
33. Increased employment expenditure in the 2011-12 estimated actual is due to an increased number of Local Commissioners being paid via the payroll system rather than via the accounts payable system and in accordance with the CA.
34. Decreased expenditure in the 2011-12 estimated actual for supplies and services is due to the increased number of Local Commissioners being paid via the payroll system rather than via the accounts payable system and due to multiple cost saving measures that were implemented. These measures include, but are not limited to, decreased expenditure in the areas of external IT support, agency staff, communication, printing and stationery and motor vehicles.
35. Increased cash at the financial year end in the 2011-12 estimated actual is due to carried over cash surplus from prior years.

Major variations between 2011-12 Budget and 2012-13 Estimate include:

36. The 2012-13 estimate includes increased other revenue from \$0.5 million to \$1.5 million Australian Government funding towards operating expenses.

37. Grant revenue from the State Government decreases from \$2.6 million to \$1.8 million in the 2012-13 estimate due to the increased funding from the Australian Government.
38. The 2012-13 estimate includes increased employment expenses due to the transition of the Local Commissioners' fees from the accounts payable system to the payroll system, recruitment and relocation of frontline staff (e.g. senior and remote staff on temporary contracts) and in accordance with the CA.
39. The increase in supplies and services in the 2012-13 estimate is due; the increased balance in outstanding creditors from 2011-12, to the movement in CPI and other known additional costs to be incurred that include, but are not limited to, property and travel.
40. Increased cash at the financial year end in the 2011-12 estimated actual is due to prior year surplus cash assets carrying over.

Major variations between 2011-12 Estimated actual and the 2012-13 Estimate include:

41. Grant revenue in the 2011-12 estimated actual was inflated due to reimbursements from the State Government for additional costs incurred and debtor payments from 2010-11.
42. Other revenue in the 2011-12 estimated actual was inflated due to \$0.03 million in expenditure recovered from 2010-11.
43. The 2012-13 estimate includes increased other revenue from \$0.5 million to \$1.5 million Australian Government funding towards operating expenses.
44. Grant revenue from the State Government decreases from \$2.6 million to \$1.8 million in the 2012-13 estimate due to the increased funding from the Australian Government.
45. The 2012-13 estimate includes increased employment expenses due to the transition of the Local Commissioners' fees from the accounts payable system to the payroll system, recruitment and relocation of frontline staff (e.g. senior and remote staff on temporary contracts) and in accordance with the CA.
46. The increase in supplies and services in the 2012-13 estimate is due to; the increased balance in outstanding creditors from 2011-12, the movement in CPI and other known additional costs to be incurred that include, but are not limited to, property and travel.
47. Decreased cash at the financial year end in the 2012-13 estimate is due to the depletion of the cash surplus carried forward and the decrease in current year funding.

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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.
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Administered Items	— Assets, liabilities, revenues and expenses an entity administers, without discretion, on behalf of the Government.
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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.
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Appropriation	— Funds issued by the Treasurer, under Parliamentary authority, to agencies during a financial year for: <ul style="list-style-type: none">– delivery of agreed services– administered items– adjustment of the Government’s equity in agencies, including acquiring of capital.
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Balance Sheet	— A financial statement that reports the assets, liabilities and equity of an entity as at a particular date.
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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.
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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.
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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.
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Depreciation	— The periodic allocation of the cost of physical assets, representing the amount of the asset consumed during a specified time.
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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.
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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.

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