

Service Delivery Statements

Department of Natural Resources and Mines

2014–15 State Budget Papers

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

Concessions Statement

The suite of Budget Papers is similar to that published in 2013-14.

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Service Delivery Statements

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Queensland
Government

Department of Natural Resources and Mines

Summary of portfolio budgets

Page	Agency	2013-14 Adjusted Budget \$'000	2013-14 Est. Actual \$'000	2014-15 Budget \$'000
2	Department of Natural Resources and Mines - controlled	470,198	437,317	450,002
	Department of Natural Resources and Mines - administered	553,724	509,203	544,992

Notes:

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

PORTFOLIO OVERVIEW

Ministerial and portfolio responsibilities

The Minister for Natural Resources and Mines has responsibility for the management and allocation of State land, natural water resource management and allocation, native title claims, land valuation, land titles, vegetation management, spatial information and geological survey, mine safety and health, mining, petroleum and other resource industry services.

The table below represents the agencies and services which are the responsibility of the Minister for Natural Resources and Mines:

Minister for Natural Resources and Mines The Honourable Andrew Cripps MP
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Assistant Minister for Natural Resources and Mines Seath Holswich MP
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Department of Natural Resources and Mines Director-General: Dr Brett Heyward
Service Area 1: Land Services
Service Area 2: Water Services
Service Area 3: Mine Safety and Health Services
Service Area 4: Mining and Petroleum Services

Additional information about these agencies can be sourced from www.dnrm.qld.gov.au

RESOURCES AND PERFORMANCE

DEPARTMENTAL OVERVIEW

Strategic direction

Department of Natural Resources and Mines (DNRM) is an economic development agency that enables the productive and responsible use of our natural resources – water, land, mineral and energy resources - to generate wealth and prosperity for current and future generations of Queenslanders.

The department has four service areas: Land Services; Water Services; Mine Safety and Health Services; and Mining and Petroleum Services.

On 2 April 2014, the department launched its Blueprint where it put forward the three strategic priorities that will enable the productive use of our natural resources over the next three to five years, which are to:

- power-up regional Queensland and the economy through enabling economic growth and prosperity; growing our resources and agriculture sectors; strategic water reform; and strategic land reform
- implement customer-focused design and delivery of services through engagement with our customers; our customer service delivery focus; and how we deliver our services
- be the best natural resources agency in Australia through an integrated natural resources agency; improved regional service model; a comprehensive focus on continuous improvement; building stakeholder partnerships and collaboration; and maintaining the best safety in the resources industries.

We will enable this through:

- modernising our regulatory framework
- enhancing our business systems, and
- developing our people.

The department is building on its strong base of natural resources management and making sure we are doing the best we can for our customers.

In 2014-15 the department's future direction is to be customer focused, multi-channelled and to continue to support whole-of-Government initiatives through delivering on the objectives outlined in the Blueprint by:

Powering up regional Queensland and the economy

Enabling economic growth and prosperity

- enabling greater opportunities for business, individuals and communities through security of tenure, certainty of ownership, responsible access to natural resources, accessible and reliable natural resource information and the timely delivery of related services
- continuing to invest \$30 million, over three years, in geoscience to attract further investment in the resources sector
- allocating available funding under the \$80 million, five year, Queensland Regional NRM investment program which includes initiatives to protect the Great Barrier Reef
- continuing to achieve accelerated resolution of native title claims providing security of tenure allowing for economic development to proceed with certainty.

Strategic resource reform

- releasing a harmonised resource management framework that delivers significant reforms to provide flexibility and certainty to the mineral and energy resources sector
- introducing new regulatory and operation frameworks that are responsive to emerging industries and challenges of managing resource conflicts
- progressing the outcomes of ResourcesQ to realise the value and commitment of the partnership agreement.

Growing our resources and agriculture sectors

- completing delivery of the \$15 million ex Tropical Cyclone Oswald On-farm Productivity and Riparian Recovery Program.

Strategic Water Reform

- allocating \$2 million for the Rural Water Use Efficiency Irrigation Futures delivered through six irrigation industry groups
- allocating \$0.6 million to the 12 River Improvement Trusts in Queensland primarily to address water quality
- achieving priority reforms in water monitoring, licensing, management and planning
- transforming the *Water Act 2000* to streamline and simplify provisions, reduce overly-prescriptive regulations and to reflect contemporary approaches that support responsible and productive management, allocation and use of Queensland's water resources.

Strategic Land Reform

- legislative amendments delivering major reforms to Queensland's leasehold land system to provide greater security of tenure for leaseholders by providing pathways to freehold land title where appropriate and help drive growth in the key agriculture and tourism sectors
- progressing the review of the *Land Act 1994* and other land legislation to deliver an outcome that will enhance opportunities for private sector development from land currently administered by the Government, and develop a new and more productive relationship with local government
- working with all trustees, individual community members and other stakeholders to remove the barriers to sustainable home ownership on Indigenous land in Queensland
- reforming Indigenous land tenure to deliver security of tenure and ability to participate in an open market for successful homeownership, economic development and prosperity creation.

Customer-focused design and delivery of services

Engagement with our customers

- responding to customer feedback (particularly our mining and resources customers, water customers and land customers). The department will proactively provide all forms online and refocus web based information to be more customer focused
- developing policy and regulatory frameworks to implement the government's priorities of economic growth and prosperity for Queensland to ensure customer benefits are realised
- working with the resources industry to review regulatory issues and to ensure benefits to Queenslanders and industry
- investing in new service channels to respond to customer requirements to deliver online products and improved service delivery.

Improving our services

- DNRM will explore the creation of a new leadership role to grow the availability and use of spatial data. This recognises the pivotal role DNRM plays as a service provider of spatial information to other government agencies, industries and the community

- developing the Queensland Globe by providing and investigating services based on our geographical spatial data in areas such as flood mapping and real-time flood monitoring
- commence consultation on a roadmap to streamline and reform mining and petroleum reporting requirements, to enhance the provision of open, accessible data and the ongoing productive, responsible use of Queensland's natural resources
- continuing to implement the system for national electronic conveyancing in Queensland
- implementing the system to provide landowners with electronic land valuation notices in 2015
- ongoing development and release of online services for the mining sector (e.g. MyMinesOnline).

Be the best natural resources agency in Australia

A comprehensive focus on continuous improvement

- under the Blueprint we will implement a comprehensive and broad-reaching business improvement program through:
 - optimising the effectiveness, efficiency and overall performance of our functions and services
 - adapting our core functions and services to reflect government policy and meet the needs of our customers across the state
 - developing new business partnerships and new value-added services or products to meet customer needs or implement government policy directions.

Stakeholder partnerships and collaboration

- ResourcesQ is a key initiative working in collaboration with industry to develop a shared vision for Queensland's resources sector over the next 30 years.

Best safety in resources industries

- the department is currently working on legislative reforms to enable improvements to further enhance industry safety and health standards, and maintaining our 'safest' status
- maintaining Queensland's mining safety standards through adopting appropriate new technologies and collaborative working relationships with industry
- focussing on achieving a more nationally consistent approach to the regulation of explosives
- implementing amendments to the *Coal Mining Safety and Health Act 1999* and the *Mining and Quarrying Safety and Health Act 1999* to improve mine safety and health
- the Abandoned Mine Lands Program will progress ground truthing and public risk mitigation, continue the Charters Towers and Gympie shaft repair programs, and the ongoing management of mining legacy issues at major legacy sites across Queensland.

Our reform journey so far

In 2013-14, the department continued to deliver a customer-focussed and modernised Natural Resources business that will power-up regional Queensland, grow a four pillar economy; realise better infrastructure and planning; and revitalise frontline services through:

Setting the future direction

- established a Ministerial Advisory Committee on Exploration to identify solutions to the current challenges facing the exploration sector and propose further opportunities for streamlining the way DNRM services its resource industry clients
- enabled the development of Queensland's significant oil shale resources under strict environmental conditions
- opened a state of the art Virtual Reality Mine Training Facility at SIMTARS (Safety in Mines Testing and Research Station)

- continued the allocation of funding of \$80 million over five years towards natural resource management investment in Queensland including initiatives to protect the Great Barrier Reef
- implemented the Queensland Floods Commission of Inquiry recommendations regarding the regulation of levees and the progression of the Brisbane River Catchment Flood Study
- progressed the implementation of the Great Artesian Basin Sustainability Initiative (GABSI) program by rehabilitating 26 uncontrolled bores and approximately 1,370 kilometres of inefficient land degrading bore drains replaced with pipeline reticulation systems. These works will save an estimated 14,400 megalitres of water per annum of flow from the Great Artesian Basin in Queensland which is the equivalent to that consumed by about 500,000 cattle per year
- reviewed rural and tourism *Land Act 1994* lease rentals, as part of the Government's commitment to build the four pillars of Queensland's economy
- introduced the land tenure reform initiatives in the *Land and Other Legislation Amendment Bill 2014* to improve security and certainty of land tenure for rural and island tourism leaseholders
- delivered a management strategy that effectively balances economic development opportunities and river protection in western Queensland
- achieved 19 determinations of native title placing Queensland as the first jurisdiction to resolve 100 native title claims
- increased Indigenous peoples ownership and responsibility to manage land through transfers made under the *Aboriginal Land Act 1991* and *Torres Strait Islander Land Act 1991* with 755, 822 hectares transferred.

Improving customer focus

- Stock Route Capital Works Program funding of \$1.1 million (this includes an additional funding of about \$0.55 million over the previous year) which enables councils to maintain and upgrade the stock route network
- delivered an online system for managing the state's 2.6 million hectare stock routes
- continued to implement the Murray Darling Basin Plan for Queensland's Basin catchments - In February 2014 the Premier signed the National Partnership Agreement which provides funds to Queensland
- consolidated the existing data on abandoned mines across Queensland and developed a risk assessment framework to guide decisions on the remediation of abandoned mine sites
- over 250 abandoned mine sites were inspected, and public safety risks were closed out on 158 sites. In Gympie and Charters Towers, 41 historic shafts were made safe
- Mount Morgan mine site Infrastructure was upgraded to increase water removal from the mine pit, and to improve the resilience of site systems
- implemented the coal seam gas engagement and compliance plan to balance the interests of industry, rural landholders, regional communities and the environment with a draft six month plan
- established the Townsville Minerals Assessment Hub and Rockhampton Coal Assessment Hub to centrally manage all mineral and coal development applications
- established a dedicated team in Townsville to deliver faster and more transparent assessment of applications to use state-owned land
- created an online process for managing objections to land valuations
- delivered a water resource plan that provides certainty for existing water users and opportunities for industries to grow and prosper in the Wet Tropics catchments
- continued research to assess the impact of coal seam gas extraction on aquifers in the Surat Cumulative Management Area.

New Services

- enabled the release of unallocated water in the Baffle catchment and the Great Artesian Basin by undertaking a competitive tender process for the release of almost 114,000 megalitres of unallocated water
- transferred ownership of approximately 5,000 water meters and introduced more flexible meter reading options providing greater flexibility for unsupplemented water users to manage water meters on their property
- achieved priority reforms in water metering, monitoring, licensing, management and planning by focusing on how the transformation of the water business will improve the client experience for the responsible and productive use of water resources
- commenced the system for national electronic conveyancing with property-related transactions becoming easier with stage one of the national system now live
- enabled online access to large geographical data sets through the Large Spatial Data Online Delivery Service - The Queensland Digital Exploration (QDEX) Data system is in final testing before launch
- developed Queensland Globe – a free online tool for users to explore more than 180 spatial data sets
- delivered a new framework under the *Aboriginal and Torres Strait Islander Land Holding Act 2013* to resolve legacy tenure anomalies in 20 Indigenous communities.

Departmental Budget Summary

The table below shows the total resources available in 2014-15 from all sources and summarises how resources will be applied by service area and by controlled and administered classifications.

Department of Natural Resources and Mines	2013-14 Adjusted Budget \$'000	2013-14 Est. Actual \$'000	2014-15 Budget \$'000
CONTROLLED			
Income			
Appropriation revenue ¹			
Deferred from previous year/s	5,438	18,957	18,184
Balance of service appropriation	305,935	286,261	315,783
Other revenue	158,825	132,099	116,035
Total income	470,198	437,317	450,002
Expenses			
Land Services	190,502	194,895	185,334
Water Services	124,409	121,642	126,879
Mine Safety and Health Services	57,019	63,109	66,783
Mining and Petroleum Services	88,747	48,149	61,020
Corporate Partnerships	9,521	9,521	9,986
Total expenses	470,198	437,317	450,002
Operating surplus/deficit	..	..	..
Net assets	243,906	238,777	239,724
ADMINISTERED			
Revenue			
Commonwealth revenue	..	..	..
Appropriation revenue	1,284	1,220	1,220
Other administered revenue	732,440	687,983	723,772
Total revenue	733,724	689,203	724,992
Expenses			
Transfers to government	502,035	457,578	493,367
Administered expenses	51,689	51,625	51,625
Total expenses	553,724	509,203	544,992
Net assets	64,110,434	62,961,739	63,119,901

Notes:

1. Includes State and Commonwealth funding.

Budget Measures Summary¹

The table shows a summary of Budget measures relating to the department since the 2013-14 Budget. Further details are contained in Budget Paper No. 4.

Department of Natural Resources and Mines	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
Revenue measures					
Administered	(5,000)	(3,900)	..	..	..
Departmental	..	..	..	..	..
Expense measures					
Administered	..	..	..	..	..
Departmental	1,340	11,555	1,985	1,985	1,985
Capital measures					
Administered	..	..	..	..	..
Departmental	..	230	..	..	..

Notes:

1. The totals reconcile with Budget Paper 4.

Staffing¹

Service Areas	Notes	2013-14 Adjusted Budget	2013-14 Est. Actual	2014-15 Budget
Land Services	2,3	1,260	1,255	1,255
Water Services	2,3	498	500	500
Mine Safety and Health Services	3	306	306	306
Mining and Petroleum Services	3	307	307	307
Subtotal		2,371	2,368	2,368
Corporate Partnerships	4,5	72	72	72
TOTAL		2,443	2,440	2,440

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. 2013-14 Adjusted budget vs Est. actual adjustments
 - The movement is predominately due to additional FTEs to implement water reform in the Murray-Darling Basin with reductions due to the transfer of staff as part of the regional business services realignment to the Department of Environment and Heritage Protection.
3. Corporate FTEs providing internal corporate services are allocated to the service to which they relate.
4. Corporate FTEs employed by the department as part of the corporate partnership arrangements provide services to:
 - Agriculture, Fisheries and Forestry
 - Energy and Water Supply
 - National Parks, Recreation, Sport and Racing
 - Environment and Heritage Protection
 - Tourism, Major Events, Small Business and the Commonwealth Games.
5. Under the corporate partnership arrangements, the department also receives services from Agriculture, Fisheries and Forestry and Environment and Heritage Protection.

SERVICE PERFORMANCE

Services

Our service areas are:

Land Services

The objectives of this service area are to: provide a strong framework for dealing in land that provides greater confidence and certainty to clients and the community; and maximise the productive use of the State's land resource.

Outcomes include: clarity for landholders and developers on native vegetation clearing; security of tenure; support of Indigenous land interests; resolution of native title claims; certainty in land titling, provision of mapping and spatial information and accurate valuations; and well planned and managed allocation and use of state land resources.

Water Services

The objectives of this service area are to: provide certainty in water access entitlements; facilitate responsible and productive management, allocation and use of Queensland's water resources; account for and monitor the quantity, availability and condition of water resources; and increase the productive use of Queensland's water resources in a responsible way that provides for the needs of existing water users and the environment.

Outcomes include: water for communities and industry; water security; better planning; and reduced red tape.

Mine Safety and Health Services

The objectives of this service area are to: reduce safety and health risks in the mining, quarrying, explosives, petroleum and gas industries by ensuring strong, independent regulation; provide an effective response capability; build industry awareness and skills; utilise research and new technologies; and mitigate safety and health risks at abandoned mines.

Outcomes include: a safe and healthy workforce; safe, productive industries; a reduction of impacts from abandoned mines.

Mining and Petroleum Services

The objectives of this service area are to: promote Queensland as a global resource destination of choice; provide a policy and legislative framework that encourages exploration and investment in the resource sector; and actively support industry to development through new projects and approaches.

Outcomes include: policy and legislative certainty; investment from exploration and development activity; better planning and infrastructure; and more efficient approval processes.

Red tape reduction

In 2013-14, the department:

- delivered reforms under the *Vegetation Management Framework Amendment Act 2013* which streamlines the vegetation management framework defining a clearer approval path for applicants operating within the confines of the framework whilst balancing economic development with environmental sustainability. These reforms allow farmers and graziers to continue with routine land management practices while maintaining key environmental protection
- progressed the development and implementation of a new framework for the management of overlapping coal and coal seam gas tenures in Queensland. This reform will facilitate greater cooperation between the coal and CSG industries where tenure overlaps occur
- implemented a number of regulatory reforms under the *Land, Water and Other Legislation Amendment Act 2013* which included:
 - removing the requirement for a Riverine Protection Permit to remove vegetation in a watercourse;
 - providing for petroleum wells to be converted to water supply bores; and
 - streamlining rural lease renewals by removing the future conservation area provisions and raising the threshold for rural leasehold land leases requiring mandatory land management agreements.
- made amendments to the *Sustainable Planning Regulation 2009* to remove the requirement for a development permit for particular water related works
- removed the need to obtain a water entitlement to take water for an additional 20 low risk activities such as dairy wash downs and kennels
- allowed water users to self-manage property risks by removing the need for them to develop a land and water management plan in order to use their water entitlement
- progressed amendments to the *Land Act 1994* (Draft Bill) that includes changes made in response to the Parliamentary Land Tenure Inquiry and Destination Q to improve certainty for rural and certain off shore lessees
- introduced legislation to provide the option of freehold title into Queensland's 34 rural and remote Aboriginal and Torres Strait Islander communities; and amendments to streamline leasing arrangements under the Indigenous Land legislation to remove barriers to home ownership and economic development in these communities
- created, on 2 December 2013, a simplified state-wide vegetation map to clearly define areas where regulations apply
- progressed the delivery of a Six Point Action Plan to better balance the interests of the landholders and resources
- removed the renewal requirement for over 23,000 water licence holders by extending water licences for 99 years (to June 2111).

In 2014-15, the department will progress:

- Water Business Transformation Program that will deliver significant benefits to our clients by modernising the *Water Act 2000* regulatory framework, streamlining and improving our business processes and streamlining our new service channels. The reforms will ensure that the department's water business is customer focussed, reflects contemporary approaches to water management, is efficient and cost effective
- Resource Tenure Reform that will consolidate and reprioritise existing reform initiatives to deliver on the Government's commitment to modernise Queensland's tenure framework. This will replace cumbersome processes with a harmonised flexible framework that will process applications in a more timely manner

- further reduction in red tape and streamlining processes for the resources sector by:
 - implementing changes to the mining lease notification and objection process, removing duplication
 - providing the ability for industry to track the assessment of resource applications made online, via an online status tracking tool
- commence consultation on a new integrated Resources tenure framework
- major land tenure reforms to deliver a new system of management and administration of state land that modernises and consolidates legislation, streamlines government processes and improves the way services are delivered to our customers.

2014-15 Service Summary¹

Service area	Sources of Revenue				
	Total cost \$'000	State Contribution \$'000	User Charges and Fees \$'000	C'wealth Revenue \$'000	Other Revenue \$'000
Land	185,334	133,218	46,831	1,100	4,185
Water	126,879	82,966	7,975	33,366	2,572
Mine Safety and Health	66,783	14,064	52,719	..	..
Mining and Petroleum	61,020	60,367	653	..	..
Corporate Partnerships	9,986	9,986	..	..	..
TOTAL	450,002	300,601	108,178	34,466	6,757

Notes:

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

Performance Statement

Department of Natural Resources and Mines	Notes	2013-14 Target/Est.	2013-14 Est. Actual	2014-15 Target/Est.
Service Area: Land Services				
Service standards				
Resolution of outstanding Native Title Claims		10%	22%	12%
Percentage of properly made objections lodged against annual statutory land valuations for properties ≤\$5 million, received within the 60 day objection period, decided within customer service standards	1	85%	66%	85%
Percentage of records processed within customer service standards				
• Titles Registry (in 5 days)		90%	94%	90%
• Digital Cadastral Database(in 7 days)		90%	90%	90%
State contribution (\$000)		136,302	135,085	133,218
Other revenue (\$000)		54,200	59,810	52,116
Total cost (\$000)		190,502	194,895	185,334
Service Area: Water Services				
Service standards				
Percentage of the State's natural water resources with monitoring programs in place		70%	76%	70%
Percentage of water resource management dealings processed within customer service standards		75%	93%	75%
State contribution (\$000)		72,508	74,387	82,966
Other revenue (\$000)		51,901	47,255	43,913
Total cost (\$000)		124,409	121,642	126,879
Service Area: Mine Safety and Health Services				
Service standards				
Lost time injury frequency rate (injuries per million hours) in the mining and quarrying industries		<3.3	<3.3	<3.3
Percentage of scheduled audits and inspections completed within prescribed times	2	New measure		90%

Department of Natural Resources and Mines	Notes	2013-14 Target/Est.	2013-14 Est. Actual	2014-15 Target/Est.
Percentage of serious accident and High Potential Incident (HPI) investigations completed within prescribed times	2	New measure		90%
State contribution (\$000)		2,805	4,895	14,064
Other revenue (\$000)		54,214	58,214	52,719
Total cost (\$000)		57,019	63,109	66,783
Service Area: Mining and Petroleum Services				
Service standards				
Percentage of mining exploration applications granted in accordance with timelines set out in published performance standards		90%	95%	90%
Percentage of new production tenure applications granted within timelines agreed between the department and industry proponents	3	90%	85%	90%
State contribution (\$000)		61,842	47,499	60,367
Other revenue (\$000)		26,905	650	653
Total cost (\$000)		88,747	48,149	61,020

Notes:

1. The text for this measure has been amended to include annual statutory land valuations less than or equal to \$5 million. The 2013-14 measure was influenced by Independently Chaired Conferences (ICC) for objections to valuations greater than \$5 million which cannot be processed within Customer Service Standards (CSS). CSS is 60 working days from the closure of the objection period. For an objection to be considered, it must be 'properly made' in accordance with the *Land Valuation Act 2010*. For 2013-14, the target was not achieved because 337 (as at 8 April 2014) of the objections had a valuation >\$5M and were subject to an ICC which is provided for in the *Land Valuation Act 2010* and is an independent process.
2. This is a new measure that was previously presented as "*Percentage of scheduled and legislative audits, inspections and investigations completed within prescribed times*". The investigation performance components have been separated out from scheduled audits and inspections to form a distinct standard for investigations. A High Potential Incident (HPI) is an event or series of events that causes or has the potential to cause a significant adverse effect on the safety or health of a person.
3. Agreed timelines are managed through the Management Information System records in MERLIN and where these were not being met (by the business), the business has implemented a case management approach to negotiate progression of outstanding issues. Recent amendments to the *Mineral Resources Act 1989* now provide Mining Registrars with the power to instruct companies to progress their applications. In the cases where production grant timelines are outside agreed timelines, new decision timelines have been discussed and agreed with Industry proponents.

Administered Items

The Department of Natural Resources and Mines administers funds on behalf of the State as follows:

Titles Lodgement Revenue

Revenue is collected under the *Land Title Act 1994*, *Land Act 1994* and the *Water Act 2000* for the lodgement of documents to secure ownership and other interests in freehold and State leasehold land, water allocations and other resources and to 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, investors, government agencies, industry groups, financial institutions, solicitors and other service providers.

Revenue from State Land

The department manages the State's administered land portfolio which is made up of reserves, unallocated State land, freehold land, land under roads and leasehold land. Annual rentals and instalments are collected on land leased from the State and on various licenses and permits issued over State land under the *Land Act 1994*. Administered revenue is also generated from sales of unallocated State land and from issuing easement access across State land. The revenue from sales can vary significantly from year to year as they are largely application driven.

Mineral and Petroleum Rentals

Annual rent is collected on various permits, authorities, licenses and leases issued under the *Mineral Resources Act 1989*, the *Petroleum Act 1923*, the *Geothermal Energy Act 2010* and the *Petroleum and Gas (Production and Safety) Act 2004*.

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 Energy Act 2010*, and the *Greenhouse Gas Storage Act 2009*.

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

CAPITAL

Capital program

The total capital investment for the Department of Natural Resources and Mines in 2014-15 will be \$16.3 million.

\$5 million will be invested for the Zillmere Core Library Extension initiative for the construction of additional core storage, adjacent to the existing Exploration Data Centre at Zillmere Government Precinct. The extension of the purpose-built storage facility will enable the State to preserve economically and scientifically valuable sections of core acquired from expensive company and government drilling to ensure that this resource of subsurface knowledge is not lost to the State and the exploration industry.

Other capital investments include:

- Computer software modifications for critical business systems including spatial information systems
- Minor plant and equipment acquisitions and enhancements for departmental assets
- Minor leasehold improvements to buildings and accommodation.

Capital budget statement

Department of Natural Resources and Mines	Notes	2013-14 Adjusted Budget \$'000	2013-14 Est. Actual \$'000	2014-15 Budget \$'000
Capital Purchases¹				
Total land, buildings and infrastructure	1	1,542	452	8,042
Total plant and equipment		4,274	2,432	2,762
Total other capital	2	11,870	10,197	5,506
Total Capital Purchases	3	17,686	13,081	16,310

Notes:

1. The increase in the 2014-15 Budget is predominately for the Zillmere Core Library extension.
2. The decrease in the 2014-15 Budget is predominately for the completion of the Streamlining of the Mining Tenure Approval project and the Automated Titling System project in 2013-14.
3. For more detail on the agency's capital acquisitions please refer to Budget Paper 3.

BUDGETED FINANCIAL STATEMENTS

ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

An analysis of the department's budgeted financial statements, as reflected in the department's financial statements, is provided below.

Departmental income statement

Total expenses are estimated to be \$450.0 million in 2014-15, a decrease of \$20.2 million from the 2013-14 Adjusted budget. The decrease is primarily the result of:

- change in a federally and industry funded initiative for Carbon Geostorage which was initially intended to be managed through the department
- decrease in Natural Disaster Relief and Recovery Arrangements (NDRRA), due to higher expenditure in 2013-14 as a result of the previous natural disasters.

Total expenses for the 2013-14 Estimated actual is \$437.3 million, a decrease of \$32.9 million from the 2013-14 Adjusted budget. The decrease is primarily due to:

- the change in arrangements for the Carbon Geostorage Initiative, which had been initially intended to be managed through the department
- a conversion of operating funds to capital for the Geological Survey Queensland Core Library to be completed in the 2014-15 financial year.

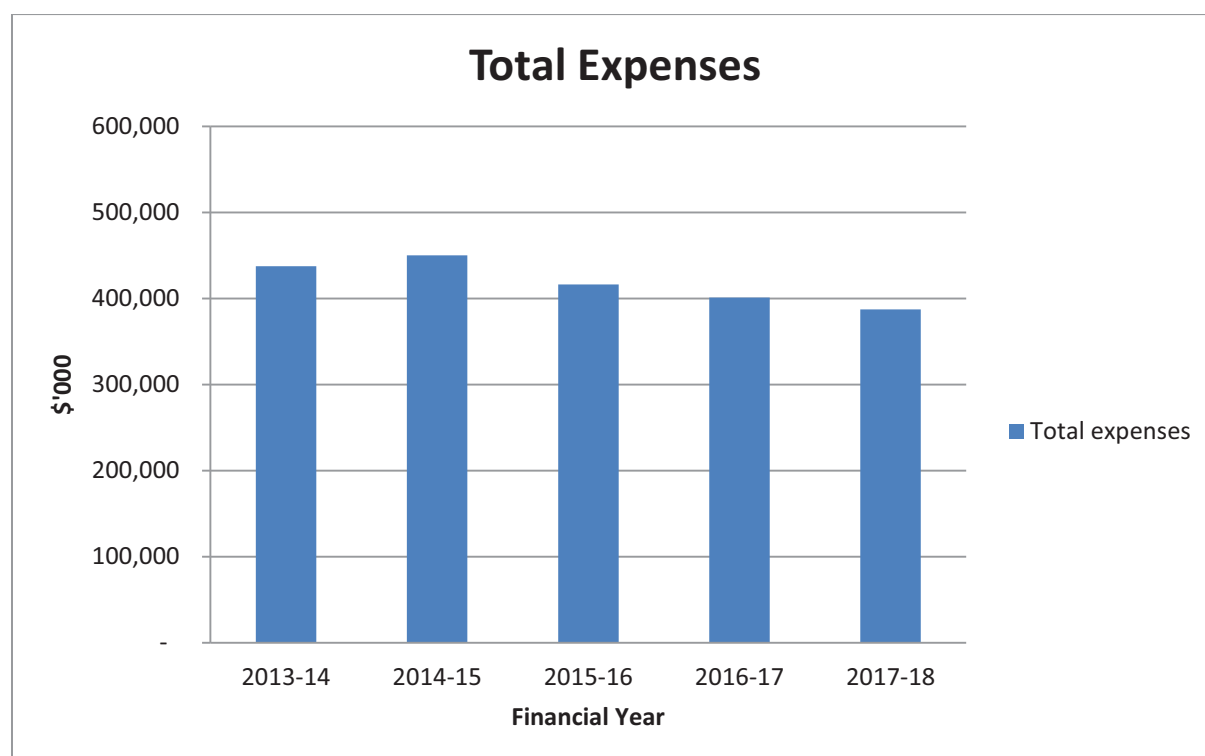
The major expenses for the department in 2014-15 consist of:

- employee expenses of \$231.9 million (51.5 per cent of total)
- supplies and services of \$147.6 million (32.8 per cent of total)
- grants and subsidies of \$49.1 million (10.9 per cent of total).

The department raises almost a third of its revenue from sources other than State appropriation including:

- industry charges which fund the Mine Safety and Health and Petroleum and Gas functions
- user charges revenue, predominantly for maps, cadastral and title searches, storage fees for explosives and other fee for service activities provided by units such as SIMTARS
- funding from the Australian Government in relation to specific initiatives including Water for the Future Program and the Murray Darling Basin Program.

Chart: Total departmental expenses across the Forward Estimates period



Departmental balance sheet

The department's major assets consist of Property, plant and equipment (\$168.9m) and Intangibles (\$39.2m). Investment in intangibles is generally expected to remain stable over the forward estimates, subject to the future industry and departmental conversion to Software as a Service. Property, consisting of land and buildings is subject to market fluctuations through annual revaluations.

The department's main liabilities relate to payables for accrued employment benefits, grants, trade creditors and unearned revenue.

CONTROLLED INCOME STATEMENT

Department of Natural Resources and Mines	Notes	2013-14 Adjusted Budget \$'000	2013-14 Est. Act. \$'000	2014-15 Budget \$'000
Income				
Appropriation revenue	1,5,9	311,373	305,218	333,967
Taxes		..	..	..
User charges and fees		108,342	110,242	108,178
Royalties and land rents		244	244	244
Grants and other contributions	2,6,10	48,726	20,100	6,100
Interest		..	..	..
Other revenue		1,513	1,513	1,513
Gains on sale/revaluation of assets		..	..	..
Total income		470,198	437,317	450,002
Expenses				
Employee expenses	7,11	225,916	225,285	231,870
Supplies and services:				
- Outsourced service delivery		..	..	..
- Other supplies and services	3,8,12	163,799	141,008	147,603
Grants and subsidies	4	58,903	48,747	49,067
Depreciation and amortisation		15,561	15,561	15,561
Finance/borrowing costs		..	..	..
Other expenses		5,982	6,679	5,864
Losses on sale/revaluation assets		37	37	37
Total expenses		470,198	437,317	450,002
OPERATING SURPLUS/(DEFICIT)		..	..	..

CONTROLLED STATEMENT OF CHANGES IN EQUITY

Department of Natural Resources and Mines	Notes	2013-14 Adjusted Budget \$'000	2013-14 Est. Act. \$'000	2014-15 Budget \$'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)	13,14,16	3,393	888	4,572
Equity adjustments (inc. MoG transfers)	15,17	..	..	(3,625)
Total movement in equity for period		3,393	888	947

CONTROLLED BALANCE SHEET

Department of Natural Resources and Mines	Notes	2013-14 Adjusted Budget \$'000	2013-14 Est. Act. \$'000	2014-15 Budget \$'000
CURRENT ASSETS				
Cash assets	18,23	16,218	42,456	42,816
Receivables		30,586	31,675	31,675
Other financial assets		..	..	..
Inventories		2,292	2,065	2,065
Other		879	883	883
Non-financial assets held for sale		218	218	218
Total current assets		50,193	77,297	77,657
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	24,29	175,581	173,820	168,944
Intangibles	19,25,30	42,679	37,280	39,243
Other		..	..	..
Total non-current assets		218,260	211,100	208,187
TOTAL ASSETS		268,453	288,397	285,844
CURRENT LIABILITIES				
Payables	20,26,31	9,726	34,108	30,608
Accrued employee benefits		6,868	5,729	5,729
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		7,953	9,783	9,783
Total current liabilities		24,547	49,620	46,120
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	..	..
TOTAL LIABILITIES		24,547	49,620	46,120
NET ASSETS/(LIABILITIES)		243,906	238,777	239,724
EQUITY				
Capital/contributed equity		260,773	257,062	258,009
Accumulated surplus/(accumulated deficit)	21,27	(28,472)	(37,453)	(37,453)
Reserves:				
- Asset revaluation surplus	22,28	11,605	19,168	19,168
- Other		..	..	..
TOTAL EQUITY		243,906	238,777	239,724

CONTROLLED CASH FLOW STATEMENT

Department of Natural Resources and Mines	Notes	2013-14 Adjusted Budget \$'000	2013-14 Est. Act. \$'000	2014-15 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows				
Appropriation receipts	32,38,45	311,373	315,372	333,967
User charges and fees	33,46	108,342	122,242	108,178
Royalties and land rent receipts		244	244	244
Grants and other contributions	34,39,47	48,726	20,100	6,100
Interest received		..	..	..
Taxes		..	..	..
Other		1,513	1,513	1,513
Outflows				
Employee costs	40,48	(225,916)	(225,285)	(231,870)
Supplies and services	35,41,49	(163,799)	(153,008)	(147,603)
Grants and subsidies	36,42,50	(58,903)	(48,747)	(52,567)
Borrowing costs		..	..	..
Other		(5,982)	(6,679)	(5,864)
Net cash provided by/(used in) operating activities		15,598	25,752	12,098
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows				
Payments for non-financial assets	37,43,51	(15,586)	(13,081)	(16,310)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		(15,586)	(13,081)	(16,310)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows				
Borrowings		..	..	..
Equity injections	44,52	6,979	7,403	8,158
Outflows				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		(3,586)	(3,586)	(3,586)
Net cash provided by/(used in) financing activities		3,393	3,817	4,572
Net increase/(decrease) in cash held		3,405	16,488	360
Cash at the beginning of financial year		12,813	25,968	42,456
Cash transfers from restructure		..	..	..
Cash at the end of financial year		16,218	42,456	42,816

ADMINISTERED INCOME STATEMENT

Department of Natural Resources and Mines	Notes	2013-14 Adjusted Budget \$'000	2013-14 Est. Act. \$'000	2014-15 Budget \$'000
Income				
Appropriation revenue		1,284	1,220	1,220
Taxes		..	..	..
User charges and fees	53,59	309,566	279,114	310,472
Royalties and land rents	54,56	180,937	166,932	166,979
Grants and other contributions		..	..	..
Interest		2,166	2,166	2,166
Other revenue		225,185	225,185	225,185
Gains on sale/revaluation of assets	57,60	14,586	14,586	18,970
Total income		733,724	689,203	724,992
Expenses				
Employee expenses		..	..	..
Supplies and services:				
- Outsourced service delivery		..	..	..
- Other supplies and services		64	..	..
Grants and subsidies		1,100	1,100	1,100
Depreciation and amortisation		425	425	425
Finance/borrowing costs		..	..	..
Other expenses		49,880	49,880	49,880
Losses on sale/revaluation assets		220	220	220
Transfers of Administered Revenue to Government	55,58,61	502,035	457,578	493,367
Total expenses		553,724	509,203	544,992
OPERATING SURPLUS/(DEFICIT)		180,000	180,000	180,000

ADMINISTERED BALANCE SHEET

Department of Natural Resources and Mines	Notes	2013-14 Adjusted Budget \$'000	2013-14 Est. Act. \$'000	2014-15 Budget \$'000
CURRENT ASSETS				
Cash assets	62,68	49,657	20,907	20,907
Receivables	63,69	35,600	40,771	40,771
Other financial assets		..	..	..
Inventories		..	..	..
Other		..	..	..
Non-financial assets held for sale		4,094	3,598	3,598
Total current assets		89,351	65,276	65,276
NON-CURRENT ASSETS				
Receivables	70,75	36,634	35,422	30,922
Other financial assets		..	..	..
Property, plant and equipment	64,71,76	64,043,669	62,945,946	63,108,608
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		64,080,303	62,981,368	63,139,530
TOTAL ASSETS		64,169,654	63,046,644	63,204,806
CURRENT LIABILITIES				
Payables		4,963	4,432	4,432
Transfers to Government Payable	65,72	2,489	35,882	35,882
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	66,73	51,506	44,327	44,327
Total current liabilities		58,958	84,641	84,641
NON-CURRENT LIABILITIES				
Payables		262	264	264
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		262	264	264
TOTAL LIABILITIES		59,220	84,905	84,905
NET ASSETS/(LIABILITIES)		64,110,434	62,961,739	63,119,901
EQUITY				
Capital/contributed equity		66,233,382	66,214,390	66,192,552
Accumulated surplus/(accumulated deficit)	67,74,77	(2,122,993)	(3,253,139)	(3,073,139)
Reserves:				
- Asset revaluation surplus		45	488	488
- Other		..	..	..
TOTAL EQUITY		64,110,434	62,961,739	63,119,901

ADMINISTERED CASH FLOW STATEMENT

Department of Natural Resources and Mines	Notes	2013-14 Adjusted Budget \$'000	2013-14 Est. Act. \$'000	2014-15 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows				
Appropriation receipts		1,284	1,220	1,220
User charges and fees	78,88	309,346	278,894	310,252
Royalties and land rent receipts	79,83	180,937	166,932	166,979
Interest received		2,166	2,166	2,166
Taxes		..	..	..
Other		..	..	..
Outflows				
Employee costs		..	..	..
Supplies and services		(64)	..	..
Grants and subsidies		(1,100)	(1,100)	(1,100)
Borrowing costs		..	..	..
Other		(5,000)	(5,000)	(5,000)
Transfers to Government	80,84,89	(502,035)	(457,578)	(493,367)
Net cash provided by/(used in) operating activities		(14,466)	(14,466)	(18,850)
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows				
Sales of non-financial assets	85,90	31,738	31,738	36,068
Investments redeemed		..	..	..
Loans and advances redeemed		12,000	12,000	12,000
Outflows				
Payments for non-financial assets	81,86	(2,100)	..	..
Payments for investments		..	..	..
Loans and advances made		(7,500)	(7,500)	(7,500)
Net cash provided by/(used in) investing activities		34,138	36,238	40,568
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows				
Borrowings		..	..	..
Equity injections	82,87	2,100	..	..
Outflows				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		(21,772)	(21,772)	(21,718)
Net cash provided by/(used in) financing activities		(19,672)	(21,772)	(21,718)
Net increase/(decrease) in cash held		..	..	..
Cash at the beginning of financial year		49,657	20,907	20,907
Cash transfers from restructure		..	..	..
Cash at the end of financial year		49,657	20,907	20,907

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

From 1 July 2014, departments will no longer be liable for payroll tax. To provide comparable cost forecasts across all periods, the 2013-14 Adjusted budget and the 2013-14 Estimated actual have been recast to reflect the removal of payroll tax from Employee expenses and an associated reduction has been made to Appropriation revenue. The 2013-14 Adjusted budget Appropriation revenue and Employee expenses have been reduced by \$9.320 million. The 2013-14 Estimated actual Appropriation revenue and Employee expenses have been reduced by \$9.320 million.

Income statement

Major variations between 2013-14 Adjusted budget and 2013-14 Estimated actual include:

1. The decrease is primarily due to deferrals for various programs including funding for the extension of the Geological Survey of Queensland's (GSQ) Core Library, the Future Resources program and the Great Artesian Basin Sustainability Initiative.
2. The decrease is primarily due to a change in a federally and industry funded initiative for Carbon Geostorage which was initially intended to be managed through the department.
3. The decrease is primarily due a change in a federally and industry funded initiative for Carbon Geostorage, which was initially intended to be managed through the department and deferrals into 2014-15 for various programs including funding for the extension of the GSQ Core Library, Future Resources Program, and the Great Artesian Basin Sustainability Initiative. This is partially offset by previous year deferrals and a reclassification from Grants expense to Supplies and Services as a result of a whole-of-Government review of Grants expense classification.
4. The decrease is primarily due to a reclassification of expenditure to Supplies and Services as a result of a review of the department's grants programs.

Major variations between 2013-14 Adjusted budget and 2014-15 Budget include:

5. The increase is primarily due to additional funding for the Abandoned Mines Land Program, Australian Government funding for the Murray Darling Basin program, deferrals into 2014-15 for various programs including funding for the Future Resources program, the Great Artesian Basin Sustainability Initiative and funding for enterprise bargaining agreement (EBA) increases.
6. The decrease is primarily due to a change in a federally and industry funded initiative for Carbon Geostorage, which was initially intended to be managed through the department and reduced funding for Natural Disaster Relief and Recovery Arrangements (NDRRA) projects.
7. The increase is predominately due the impact of EBA increases.
8. The decrease is primarily due to a change in a federally and industry funded initiative for Carbon Geostorage, which was initially intended to be managed through the department with a partial offset due to Australian Government funding for the Murray Darling Basin program.

Major variations between 2013-14 Estimated actual and the 2014-15 Budget include:

9. The increase is primarily due to Australian Government funding for the Murray Darling Basin program, deferrals into 2014-15 for various programs including the Future Resources program, the Great Artesian Basin Sustainability Initiative and EBA increases.
10. The decrease is primarily due to a change in a federally and industry funded initiative for Carbon Geostorage which was initially intended to be managed through the department.
11. The increase is predominately due to the impact of EBA payments.
12. The increase is primarily due to Australian Government funding for the Murray Darling Basin program, deferrals into 2014-15 for various programs including the Future Resources program and the Great Artesian Basin Sustainability Initiative.

Statement of Changes in Equity

Major variations between 2013-14 Adjusted budget and 2013-14 Estimated actual include:

13. The decrease in capital contributions represents funding allocated for the Automated Titling System and Streamlining Mining Tenure Renewal Program initiatives which were clawed back into the 2012-13 financial year as work was able to be completed earlier than originally envisaged.

Major variations between 2013-14 Adjusted budget and 2014-15 Budget include:

14. The increase represents a capital contribution for the GSQ Core Library extension, offset by funds clawed back into the 2012-13 financial year for capital projects undertaken earlier than originally envisaged.
15. The movement represents the centralisation and transfer out of the department's Government Employee Housing Scheme assets.

Major variations between 2013-14 Estimated actual and the 2014-15 Budget include:

16. The increase represents capital funding for the GSQ Core Library extension.
17. The movement represents the centralisation and transfer out of the department's Government Employee Housing Scheme assets.

Balance sheet

Major variations between 2013-14 Adjusted budget and 2013-14 Estimated actual include:

18. Increase in cash is primarily a result of Australian Government funding held by DNRM awaiting final allocation for approved programs for other departments and timing of payments for expenses, including grants associated with milestone applications.
19. The decrease relates primarily to the accumulated amortisation of intangible assets remaining higher than the value of new acquisitions.
20. The increase in payables is primarily due to Australian Government funding held by DNRM awaiting final allocation for approved programs for other departments and timing of payments for expenses, including grants associated with milestone applications.
21. The movement is a result of the deficit recorded in the 2012-13 financial year primarily related to decrements in land values.
22. The increase relates to the impact of asset revaluation increases relating to building and infrastructure assets reported in the 2012-13 financial year.

Major variations between 2013-14 Adjusted budget and 2014-15 Budget include:

23. Increase in cash is primarily a result of Australian Government funding held by DNRM awaiting final allocation for approved programs for other departments and timing of payments for expenses, including grants associated with milestone applications.
24. The decrease relates primarily to the centralisation and transfer out of assets associated with the Government Employee Housing Scheme.
25. The decrease relates primarily to the accumulated amortisation of intangible assets remaining higher than the value of new acquisitions.
26. The increase in payables is primarily due to Australian Government funding held by DNRM awaiting final allocation for approved programs for other departments and timing of payments for expenses, including grants associated with milestone applications.
27. The movement is a result of the deficit recorded in the 2012-13 financial year primarily related to decrements in land values.
28. The increase relates to the impact of asset revaluation increases relating to building and infrastructure assets reported in the 2012-13 financial year.

Major variations between 2013-14 Estimated actual and the 2014-15 Budget include:

29. The decrease relates primarily to the centralisation and transfer out of assets associated with the Government Employee Housing Scheme.
30. The increase predominately relates to the capitalisation of the intangible assets related to the Streamlining of Mining Tenure Approvals Process, and Automated Titling System as part of the National Electronic Conveyancing implementation program.
31. The decrease reflects funds transferred to the Department of National Parks, Racing, Sport and Recreation for Australian Government funds held by the department awaiting final allocation for approved programs.

Cash flow statement

Major variations between 2013-14 Adjusted budget and 2013-14 Estimated actual include:

32. The increase is predominately due to 2012-13 end of year appropriation receivables balance partially offset by deferrals into 2014-15 for various programs including the extension of the GSQ Core Library, the Future Resources program and the Great Artesian Basin Sustainability Initiative.
33. The movement is primarily due to reduction in trade debtor balances from the 2012-13 financial year end.
34. The decrease is primarily due to a change in a federally and industry funded initiative for Carbon Geostorage which was initially intended to be managed through the department.
35. The decrease is primarily due to a change in a federally and industry funded initiative for Carbon Geostorage which was initially intended to be managed through the department and deferrals into 2014-15 for various programs including the extension of the GSQ Core Library, the Future Resources program, and the Great Artesian Basin Sustainability Initiative with offsets from the previous year deferrals.
36. The decrease is primarily due to realignment from Grants expense to Supplies and Services as a result of a whole-of-Government review of Grants expense classification.
37. The decrease in cash outflows represents funding allocated for the Automated Titling System and Streamlining Mining Tenure Renewal Program initiatives which were clawed back into the 2012-13 financial year as work was able to be completed earlier than originally envisaged.

Major variations between 2013-14 Adjusted budget and 2014-15 Budget include:

38. The increase is primarily due to additional funding for the Abandoned Mines Land Program, Australian Government funding for the Murray Darling Basin program, deferrals into 2014-15 for various programs including the Future Resources program, the Great Artesian Basin Sustainability Initiative and funding for EBA increases.
39. The decrease is primarily due to a change in a federally and industry funded initiative for Carbon Geostorage which was initially intended to be managed through the department and reduced funding for NDRRA projects.
40. The increase is predominately due to the impact of EBA payments.
41. The decrease is primarily due to a change in a federally and industry funded initiative for Carbon Geostorage which was initially intended to be managed through the department with a partial offset due to increase funding for the Abandoned Mines Land Program and Australian Government funding for the Murray Darling Basin program.
42. The decrease is primarily due to a realignment from Grants expense to Supplies and Services as a result of a whole-of-Government review of Grants expense classification with a partial offset due to a transfer of funding to the Department of National Parks, Racing, Sport and Recreation for Australian Government funds held by the department awaiting final allocation for approved programs.
43. The increase represents a capital contribution for the GSQ Core Library extension, offset by funds clawed back into the 2012-13 year for capital projects undertaken earlier than originally envisaged.
44. The increase represents a capital contribution for the GSQ Core Library extension, offset by funds clawed back into the 2012-13 year for capital projects undertaken earlier than originally envisaged.

Major variations between 2013-14 Estimated actual and the 2014-15 Budget include:

45. The increase is primarily due to deferrals into 2014-15 for various programs including the Future Resources program and the Great Artesian Basin Sustainability Initiative and funding for EBA increases.
46. The movement is primarily due to reduction in trade debtor balances from the 2012-13 financial year end.
47. The decrease is primarily due to reduced NDRRA funding in 2014-15.
48. The increase is predominately due to the impact of EBA payments.
49. The decrease is primarily due to movements in trade creditors and taxes payable offset by deferrals into 2014-15 for various programs including the Future Resources program and Great Artesian Basin Sustainability Initiative.
50. The increase reflects funds transferred to the Department of National Parks, Racing, Sport and Recreation for Australian Government funds held by the department, awaiting final allocation for approved programs.
51. The increase predominately relates to the investment for the GSQ Core Library extension.
52. The increase is predominately due to capital funding for the GSQ Core Library extension.

Administered income statement

Major variations between 2013-14 Adjusted budget and 2013-14 Estimated actual include:

- 53. The decrease predominately relates to revised estimates for cash bids paid through competitive tendering for exploration rights, partially offset by increased estimates for Titles lodgement fees which is subject to movements in the property market.
- 54. The decrease predominately relates to land rental relief for drought affected areas and revised revenue estimates based on mining and land rents collected in the 2012-13 financial year.
- 55. The movement reflects the anticipated receipts collected and returned to the consolidated fund.

Major variations between 2013-14 Adjusted budget and 2014-15 Budget include:

- 56. The decrease predominately relates to land rental relief for drought affected areas and revised revenue estimates based on rents collected in the 2012-13 financial year.
- 57. The increase relates to expected higher gains on disposal of surplus land as the property market strengthens.
- 58. The movement reflects the anticipated receipts collected and returned to the consolidated fund.

Major variations between 2013-14 Estimated actual and the 2014-15 Budget include:

- 59. The increase predominately relates to increased estimates for cash bids paid through competitive tendering for exploration rights and Titles lodgement fees which is subject to movements in the property market.
- 60. The increase reflects to expected higher gains on disposal of surplus land as the property market strengthens.
- 61. The movement reflects the anticipated receipts collected and returned to the consolidated fund.

Administered balance sheet

Major variations between 2013-14 Adjusted budget and 2013-14 Estimated actual include:

- 62. The decrease relates to the realignment of cash estimates to the actual cash on hand at the end of the 2012-13 financial year with excess cash being returned to the consolidated fund.
- 63. The increase predominately relates to the conversion of freehold leases from non-current to current as the leases mature and actual debtors balances at the 2012-13 year end.
- 64. The movement in property, plant and equipment relates mainly to changes in land value as a result of the annual revaluation process.
- 65. The increase relates to administered receipts to be returned to the consolidated fund at year end.
- 66. The decrease predominately relates to movements in land sales on behalf of other departments.
- 67. The movement predominately relates to 2012-13 decrements in land which is subject to annual revaluations.

Major variations between 2013-14 Adjusted budget and 2014-15 Budget include:

- 68. The decrease relates to the realignment of cash estimates to the actual cash on hand at the end of the 2012-13 financial year with excess cash being returned to the consolidated fund.
- 69. The increase predominately relates to the conversion of freehold leases from non-current to current as the leases mature and actual debtors balances at the end of the 2012-13 financial year.
- 70. The non-current receivable, representing instalments on freehold leases, is expected to fall as leases mature.
- 71. The movement in property, plant and equipment relates mainly to changes in land value as a result of the annual revaluation process.
- 72. The increase relates to administered receipts to be returned to the consolidated fund at year end.
- 73. The decrease predominately relates to movements in land sales on behalf of other departments.
- 74. The movement predominately relates to 2012-13 decrements in land which is subject to annual revaluations partially offset by land transfers primarily from other government authorities.

Major variations between 2013-14 Estimated actual and the 2014-15 Budget include:

- 75. The non-current receivable, representing instalments on freehold leases, is expected to fall as leases mature.
- 76. The movement in property, plant and equipment primarily relates to land transfers between departments.
- 77. The movement predominately relates to land transfers primarily from other government authorities.

Administered cash flow statement

Major variations between 2013-14 Adjusted budget and 2013-14 Estimated actual include:

78. The decrease predominately relates to revised estimates for cash bids paid through competitive tendering for exploration rights partially offset by increased levels of Titles lodgement fees collected which is subject to movements in the property market.
79. The decrease relates to land rental relief for drought affected areas and revised estimates based on rents collected in the 2012-13 financial year.
80. The movement reflects the anticipated receipts collected and returned to the consolidated fund.
81. The decrease relates to a change in funding for the Government land management system with funding being transferred from the administered accounts to the controlled entity from 2013-14.
82. The decrease relates to a change in funding for the Government land management system with funding being transferred from the administered accounts to the controlled entity from 2013-14.

Major variations between 2013-14 Adjusted budget and 2014-15 Budget include:

83. The decrease relates to land rental relief for drought affected areas and revised estimates based on rents collected in the 2012-13 financial year.
84. The movement reflects the anticipated receipts collected and returned to the consolidated fund.
85. The increase reflects to expected higher gains on disposal of surplus land as the property market strengthens.
86. The decrease relates to a change in funding for the Government land management system with funding being transferred from the administered accounts to the controlled entity from 2013-14.
87. The decrease relates to a change in funding for the Government land management system with funding being transferred from the administered accounts to the controlled entity from 2013-14.

Major variations between 2013-14 Estimated actual and the 2014-15 Budget include:

88. The increase predominately relates to revised estimates for cash bids paid through competitive tendering for exploration rights and Titles lodgement fees which are subject to property market movements.
89. The movement reflects the anticipated receipts collected and returned to the consolidated fund.
90. The increase reflects to expected higher gains on disposal of surplus land as the property market strengthens.

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.

