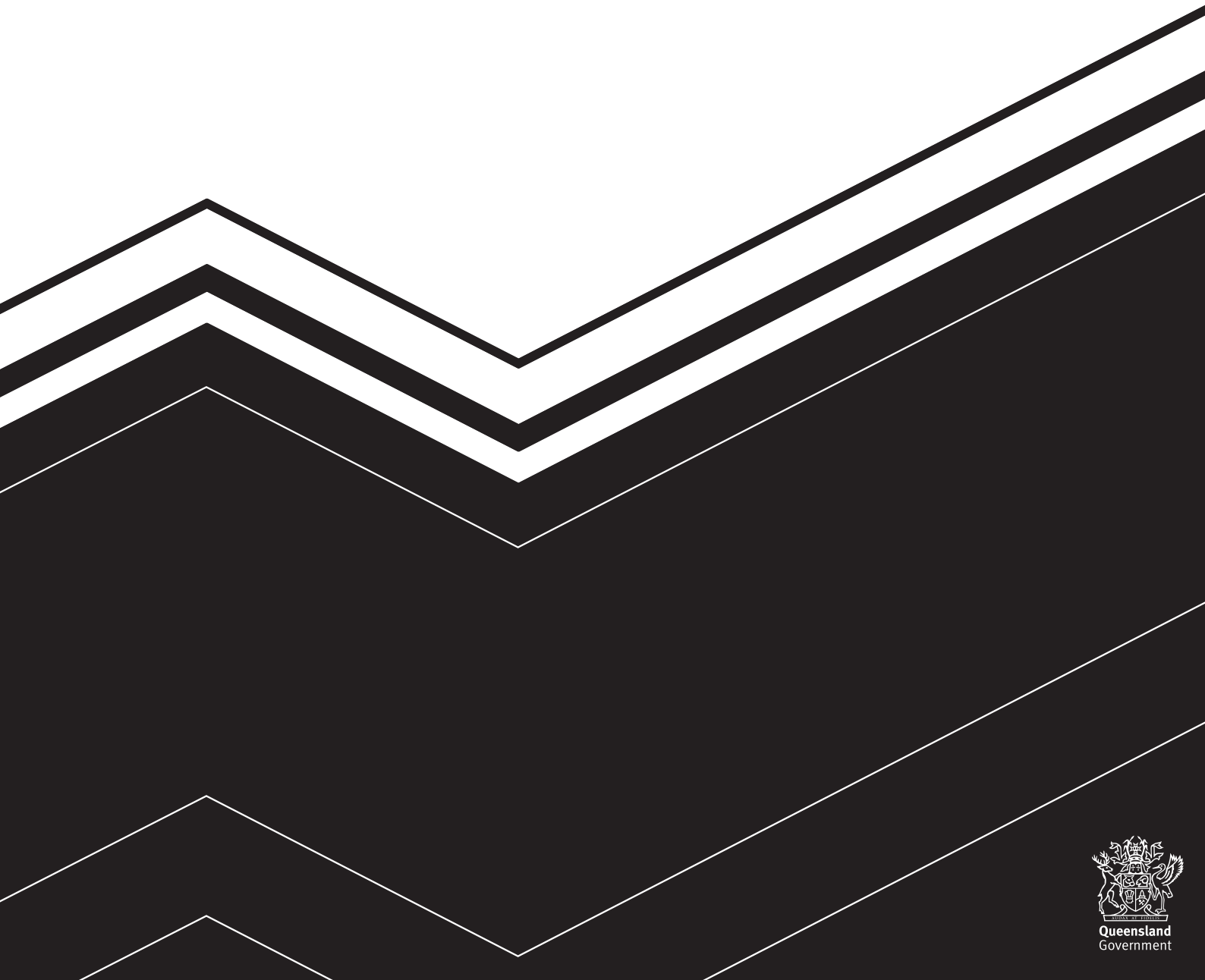


Service Delivery Statements

Department of Tourism, Major
Events, Small Business and the
Commonwealth Games



2016-17 Queensland Budget Papers

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

Appropriation Bills

Budget Highlights

The Budget Papers are available online at

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Service Delivery Statements

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Department of Tourism, Major Events, Small Business and the Commonwealth Games

Summary of portfolio

Page	Department of Tourism, Major Events, Small Business and the Commonwealth Games
3	Department of Tourism, Major Events, Small Business and the Commonwealth Games - controlled Department of Tourism, Major Events, Small Business and the Commonwealth Games - administered
26	Gold Coast 2018 Commonwealth Games Corporation
36	Tourism and Events Queensland

Portfolio overview

Ministerial and portfolio responsibilities

The table below represents the agencies and services which are the responsibility of the Minister for Education and Minister for Tourism and Major Events; the Minister for Innovation, Science and the Digital Economy and Minister for Small Business; and the Minister for Transport and the Commonwealth Games:

Minister for Education and Minister for Tourism and Major Events

The Honourable Kate Jones MP

Minister for Innovation, Science and the Digital Economy and Minister for Small Business

The Honourable Leeanne Enoch MP

Minister for Transport and the Commonwealth Games

The Honourable Stirling Hinchliffe MP

Department of Tourism, Major Events, Small Business and the Commonwealth Games

Director-General: Megan Houghton

Service area 1: Tourism and Events Development

Service area 2: Small Business Services

The Minister for Transport and the Commonwealth Games is also responsible for:

Gold Coast 2018 Commonwealth Games Corporation

Chief Executive Officer: Mark Peters

Objective: To plan, organise and deliver the Gold Coast 2018 Commonwealth Games, in conjunction with the Australian Commonwealth Games Association and the Commonwealth Games Federation.

The Minister for Education and Minister for Tourism and Major Events is also responsible for:

Tourism and Events Queensland

Chief Executive Officer: Leanne Coddington

Objective: To maximise Queensland's economic and social benefit from attracting domestic and international visitors to Queensland.

Additional information about these agencies can be sourced from:

www.dtesb.qld.gov.au

www.teq.queensland.com

www.gc2018.com

Departmental overview

The Department of Tourism, Major Events, Small Business and the Commonwealth Games is furthering the Advance Queensland agenda and creating opportunities for Queenslanders by growing tourism in the State, supporting small businesses and delivering the Gold Coast 2018 Commonwealth Games (GC2018).

Working with industry, other government agencies, as well as Tourism and Events Queensland (TEQ) and the Gold Coast 2018 Commonwealth Games Corporation (GOLDOC), the department contributes to the Queensland Government's objectives for the community of:

- creating jobs and a diverse economy
- delivering quality frontline services
- protecting the environment
- building safe, caring and connected communities.

Supporting the Queensland Government objectives for the community is a strategic outcome for every priority area:

- Tourism and major events - growing Queensland jobs that support tourism by attracting increasing numbers of visitors to the State and encouraging them to spend more in local economies.
- Small business - delivering quality frontline services to develop the capability of small business to make Queensland the place for small business to start, grow and employ.
- Commonwealth Games - delivering four new venues and seven upgrades to existing venues, the Arts and Culture program as well as the Embracing 2018 legacy program.

The priorities for these areas in 2016-17 are:

Tourism and Major Events

- Delivering the \$33.5 million Advance Queensland: Connecting with Asia Strategy.
- Delivering the annual DestinationQ forum to bring together government and industry.
- Working with TEQ to attract new major events to the State that will draw increasing numbers of visitors.
- Attracting new direct flights to Queensland, especially from Asia, in collaboration with Queensland airports.
- Partnering with the Queensland Tourism Industry Council to address priority issues impacting on tourism and events.
- Encouraging ecotourism investment and tourism ventures that protect and showcase the Great Barrier Reef.
- Attracting tourism investment and infrastructure and encouraging the private sector to partner with government.

Small Business

- Delivering the \$22.7 million Advancing Small Business Queensland Strategy.
- Positioning Queensland as the premier state for small business creation, growth and job generation by: providing targeted support for small business to get a better start and increase their digital capabilities; a more coordinated approach across the State Government to deliver services seamlessly; strengthened support for regional small business; and a stronger advocacy voice for small business at the State and Federal level.
- Managing the Government's online services to small business through the Business and Industry Portal (www.business.qld.gov.au) and delivery of the Business Transformation online program.
- Implementing programs and initiatives that support business profitability and competitiveness, and foster entrepreneurship and innovation through leveraging the Advance Queensland agenda.

Commonwealth Games

- Delivering: the capital program for the development and construction of GC2018 venues; the Reconciliation Action Plan; the GC2018 Benefits program; an Arts and Culture program and delivery model; a portfolio assurance and reporting framework; and integration and oversight of GC2018 activities including implementation of the State Protocol Plan.
- Connecting Queensland businesses with opportunities to provide goods and services to GC2018 through the Business and Industry Portal.
- Implementing healthy and active lifestyle initiatives through the Embracing 2018 and Arts and Culture programs.

Service performance

Performance statement

Tourism and Events Development

Service area objective

To promote sustainable growth of the tourism industry by facilitating a strategic whole-of-government approach to planning and investment in the State's tourism assets and products and the coordination of major events.

Service area description

The service area works across government to:

- develop policy that creates an environment supporting growth in tourism sector businesses and the jobs they create
- attract and coordinate government support for the delivery of major events
- work in partnership with industry to increase the ability of the tourism sector to be more competitive in global and domestic markets.

The service area works closely with Tourism and Events Queensland to showcase Queensland as an attractive destination for tourists and investment in tourism infrastructure, events and experiences. It has a leading role in facilitating the development of sector capability and tourism product.

The service area also leads and coordinates Government service delivery for one-off major events. It is working closely with the Gold Coast 2018 Commonwealth Games Corporation (GOLDOC), the City of Gold Coast and the Australian Government to deliver the Gold Coast 2018 Commonwealth Games (GC2018). It partners with other major event organising committees and leverages other Government services and programs across multiple tiers of government to maximise long term economic and social benefits for Queensland.

2016-17 service area highlights

- Deliver the annual DestinationQ forum to bring together government and industry.
- Support TEQ to attract new major events to the State and to showcase Queensland as an attractive destination for tourists and tourism investment in infrastructure, events and experiences.
- Continue to attract new direct flights to Queensland through the Attracting Aviation Investment Fund.
- Continue to deliver the Tourism Demand Driver Infrastructure program, including enhancements in tourism capability building, quality standards and new tourism facilities.
- Encouraging ecotourism investment and tourism ventures that protect and showcase the Great Barrier Reef.
- Continue the GC2018 program of works including the delivery of:
 - a Reconciliation Action Plan
 - GC2018 Benefits program (including an economic model)
 - Arts and Culture program and delivery model
 - portfolio assurance and reporting framework
 - integration and oversight of GC2018 activities including implementation of the State Protocol Plan.

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2015-16 Target/Est.	2015-16 Est. Actual	2016-17 Target/Est.
Service area: Tourism and Events Development				
Service standards				
<i>Effectiveness measures</i>				
Amount of additional capital attracted into tourism investment	1	\$50 million	\$100 million	\$100 million
Additional seats by targeted airlines on routes supported by the Attracting Aviation Investment Fund	2	150,000	209,700	220,000
Level of Commonwealth Games Federation's (CGF) satisfaction with preparedness for GC2018	3, 4	Satisfied	Satisfied	Satisfied
<i>Efficiency measure</i>				
Ratio of tourism investment costs to the value of direct capital attracted	5	New measure	New measure	\$1:\$160

Notes:

1. Strong capital investment in tourism has resulted in the increase from the 2015-16 Target/Estimate to the 2015-16 Estimated Actual.
2. The measure is an annual target, representing the number of new inbound airline seats delivered in the financial year on routes supported by the Attracting Aviation Investment Fund. A higher than expected number of seats have been delivered due to a number of new routes being supported which were not in the immediate pipeline of potential opportunities. Annual seat totals can fluctuate significantly depending on a number of factors including when an airline commences flying, and when financial support ceases.
3. The assessment of satisfaction is undertaken by a comprehensive external assessment of progress against an extensive list of requirements compiled from the experience of previous Games and host city bid proposals and schedules. The assessment is made by the Coordination Commission, an international oversight body of the CGF. This service standard is shared by GOLDOC which is responsible for planning the operational aspects of the event and the department, which is responsible for coordinating the necessary infrastructure and government services to support the Commonwealth Games.
4. The Coordination Commission, in its December 2015 report to the CGF, confirmed its overall satisfaction with the level of planning and preparedness for GC2018.
5. This is a new measure which assesses the cost input for all the activities of the department's Tourism Investment Attraction Unit in directly securing new capital for the tourism industry.

Small Business Services

Service area objective

To ensure businesses can seamlessly interact with government and are better equipped to manage and grow their business.

Service area description

This service area focuses on products and services that are delivered to business and industry customers (particularly small business) to better enable them to grow and make it easier for small businesses to interact with Government.

This service directly impacts on the people of Queensland by:

- enhancing the capacity of business to engage with markets, attract investors, navigate the business/regulatory environment and access tools, resources and expertise to grow and succeed
- engaging other business-focused Government agencies to facilitate the delivery of online services for small business via the Business and Industry Portal (BIP) at www.business.qld.gov.au
- proactively employing strategies that reduce red tape and simplify compliance with Government regulation.

2016-17 service area highlights

- Development and implementation of the Advancing Small Business Queensland Strategy including the establishment of the Office of Small Business to position Queensland as the state for small business to start, grow and employ.
- Expanding the existing Queensland Entrepreneurs of Tomorrow program to include all types of new and home-based businesses and provide support to the development and growth of businesses owned by women and Aboriginal and Torres Strait Islander People.
- Continuation of the Queensland Small Business Advisory Council and Red Tape Reduction Advisory Council to provide direct input to Government on issues facing the small business sector.
- Providing small business with the opportunity to connect, collaborate, network and learn through the 2017 Queensland Small Business Week and departmental services.
- Continuously improve the Queensland Government's online services to business via the BIP to make it easier to access the right service at the right time for customers via a single online location.
- Continuation of the implementation of Customer Relationship Management functionality to support delivery of more efficient services to small businesses by Government.

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2015-16 Target/Est.	2015-16 Est. Actual	2016-17 Target/Est.
Service area: Small Business Services¹				
Service standards <i>Effectiveness measures</i> Customer Impact Index (CII): the level of customer value derived from using the BIP which incorporates customer awareness, experience and satisfaction	2, 3	>60%	65.5%	>60%
Percentage of businesses assisted by small business programs that report after 12 months declaring a 10 per cent increase in either employment, turnover or profitability	4, 6	New measure	New measure	90%
Percentage of new or existing business reporting increased capability (including digital) as a direct result of participation in small business grant programs	5, 6	New measure	New measure	>75%

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2015-16 Target/Est.	2015-16 Est. Actual	2016-17 Target/Est.
<i>Efficiency measures</i> Average cost to the department to provide online services per customer visit	7	New measure	New measure	\$0.70 - \$0.80

Notes:

1. The name of this service area has been changed to Small Business Services to better reflect the services provided. This service area was formerly known as Business to Government Services.
2. The CII incorporates three elements: customer awareness, customer experience and customer satisfaction. The wording of this measure has been changed from 2015-16 to now include these three elements. This approach determines customer value by assessing the customer's perception of the usefulness and importance of the benefits received from the services which go beyond an estimate of time and effort saved. The assessment of the three elements better enables the targeting of service improvement areas based on direct customer feedback. It incorporates both qualitative data captured through direct customer complaints and compliments feedback mechanisms, surveys, customer focus groups/observations and data from various quantitative data sources.
3. The 2016-17 Target/Estimate is an overall average for the CII. It is calculated by an aggregation of customer feedback results across the three indices - customer awareness, customer experience and customer satisfaction. The 2016-17 Target/Estimate has been maintained at >60 per cent based on the 2014-15 trial result.
4. This is a new measure which incorporates existing and new programs under Mentoring for Growth and new programs under the new Advancing Small Business Queensland Strategy.
5. Additional funding has been provided to expand a broad range of small business grant programs under the Queensland Entrepreneurs of Tomorrow program. New measures have been developed to assess the effectiveness of a broad range of new and existing small businesses. Increased capability will see small businesses use digital technologies and innovative solutions as part of improving their business.
6. Innovation and technology are primary sources of competitive advantage for businesses, in nearly all industries and environments. These elements also drive efficiency and higher productivity. The department gauges the success of its small business by the reported increase in digital capability, turnover and employment.
7. This is a new measure which measures the average cost to the department to provide the online service to each customer, and is defined by using a customer session (which is a group of interactions undertaken on a website). This may include viewing a number of different webpages, completing an online application form or making a payment. The cost reflects the base budget for the operational area that delivers the BIP.

Discontinued measures

Performance measures included in the 2015–16 *Service Delivery Statements* that have been discontinued or replaced are reported in the following table with estimated actual results.

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2015-16 Target/Est.	2015-16 Est. Actual	2016-17 Target/Est.
Service area: Tourism and Events Development				
Percentage of cross-agency tourism project milestones delivered on schedule and budget	1	80%	100%	Discontinued measure
Percentage of applications for the Attracting Aviation Investment Fund evaluated within nine working days	2	90%	100%	Discontinued measure
Percentage of Mentoring for Growth business that report after 12 months declaring a 10 per cent increase in either employment, turnover or profitability	3	90%	>90%	Discontinued measure

Notes:

1. All cross-agency tourism milestones have been completed and final outcomes reported in the Destination Success Action Plan - Final Report.
2. This measure will no longer be reported in the *Service Delivery Statement* as it a timeliness measure with a low volume of activity that does not meet the definition of effectiveness or efficiency. However, as this measure is still an important measure for the department, it will be reported in the department's Annual Report.
3. This measure has been replaced by the new measure, 'Percentage of businesses assisted by Small Business programs that report after 12 months declaring a 10 per cent increase in either employment, turnover or profitability', which incorporates the Mentoring for Growth program as well as new programs under the Advancing Small Business Queensland Strategy.

Administered items

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

The Department of Tourism, Major Events, Small Business and the Commonwealth Games administers funds on behalf of the State which includes the provision of funding to Tourism and Events Queensland (TEQ) and the Gold Coast 2018 Commonwealth Games Corporation (GOLDOC).

TEQ is the Queensland Government's lead marketing, experience development and major events agency.

GOLDOC's purpose is to plan, organise and deliver the Gold Coast 2018 Commonwealth Games in conjunction with the Australian Commonwealth Games Association, the Commonwealth Games Federation, the City of Gold Coast and the Office of Commonwealth Games within the department and the Australian Government.

Financial statements and variance explanations in relation to administered items appear in the departmental financial statements.

Departmental budget summary

The table below shows the total resources available in 2016-17 from all sources and summarises how resources will be applied by service area and by controlled and administered classifications.

Department of Tourism, Major Events, Small Business and the Commonwealth Games	2015-16 Budget \$'000	2015-16 Est. Actual \$'000	2016-17 Budget \$'000
CONTROLLED			
Income			
Appropriation revenue ¹			
Deferred from previous year/s	6,139	6,139	25,282
Balance of service appropriation	169,545	122,239	179,690
Other revenue	29,502	28,307	26,853
Total income	205,186	156,685	231,825
Expenses			
Tourism and Events Development	192,220	146,285	213,016
Small Business Services	12,966	10,400	18,809
Total expenses	205,186	156,685	231,825
Operating surplus/deficit	..	..	..
Net assets	60,541	1,963	1,963
ADMINISTERED			
Revenue			
Commonwealth revenue	..	..	..
Appropriation revenue	170,386	166,506	269,906
Other administered revenue	..	..	..
Total revenue	170,386	166,506	269,906
Expenses			
Transfers to government	..	..	..
Administered expenses	170,386	166,506	269,906
Total expenses	170,386	166,506	269,906
Net assets	..	..	..

Note:

1. Appropriation revenue includes State and Commonwealth funding.

Service area sources of revenue¹

Sources of revenue 2016-17 Budget					
Department of Tourism, Major Events, Small Business and the Commonwealth Games	Total cost \$'000	State contribution \$'000	User charges and fees \$'000	C'wealth revenue \$'000	Other revenue \$'000
Tourism and Events Development	213,016	132,687	..	53,476	26,853
Small Business Services	18,809	18,809	..	..	..
Total	231,825	151,496	..	53,476	26,853

Note:

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

Budget measures summary

This table shows a summary of budget measures relating to the department since the 2015-16 State Budget. Further details are contained in *Budget Paper 4*.

Department of Tourism, Major Events, Small Business and the Commonwealth Games	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
Revenue measures					
Administered
Departmental
Expense measures					
Administered	2,687	47,225
Departmental ¹	..	16,374	16,613	16,745	9,279
Capital measures					
Administered
Departmental

Note:

- Figures reconcile with *Budget Paper 4*, including the whole-of-government expense measures 'Brisbane CBD government office agency rental impacts' and 'Reprioritisation allocations'.

Departmental capital program

Property, Plant and Equipment

The department's total plant and equipment purchases in 2016-17 are \$11.7 million for the development and construction of Gold Coast 2018 Commonwealth Games (GC2018) venues, including:

- \$6.5 million allocation to the Queensland State Velodrome for track cycling
- \$5.1 million allocation to the Carrara Stadium upgrades for athletics and warm up tracks.

Capital Grants

Total capital grants for the department in 2016-17 are \$83.3 million for the development and construction of GC2018 venues, including:

- \$44.5 million allocated as grants for the Carrara Precinct including Carrara Indoor Stadium, Carrara Southern Precinct and Carrara Sports and Leisure Centre for wrestling and badminton
- \$14.8 million allocated as grants for the Belmont Shooting Centre for clay target, full bore, pistol and small bore shooting
- \$8.9 million allocated as grants for the Gold Coast Hockey Centre
- \$3.7 million allocated as grants for the Coomera Indoor Sports Centre for gymnastics and netball
- \$1.5 million allocated as grants for the Nerang Mountain Bike Trails
- \$1 million allocated to Village Roadshow Sound Stage 9 for squash, table tennis and boxing.

Capital budget

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2015-16 Budget \$'000	2015-16 Est. Actual \$'000	2016-17 Budget \$'000
Capital purchases¹				
Total land, buildings and infrastructure	
Total plant and equipment		43,439	37,216	11,665
Total other capital		131,134	110,544	83,296
Total capital purchases		174,573	147,760	94,961

Note:

1. For more detail on the agency's capital acquisitions please refer to *Budget Paper 3*.

Staffing¹

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2015-16 Budget	2015-16 Est. Actual	2016-17 Budget
Tourism and Events Development	2, 3, 4	69	101	101
Small Business Services	2, 3, 5, 6	61	70	66
TOTAL		130	171	167

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate FTEs are allocated across the service to which they relate.
3. The department participates in a partnership arrangement with the Departments of: Agriculture and Fisheries; Environment and Heritage Protection; and Natural Resources and Mines, from which it receives other corporate services.
4. The increase in FTEs relates largely to the Office of the Commonwealth Games which is associated with the lead up to the Gold Coast 2018 Commonwealth Games. FTEs in Tourism have remained constant.
5. Increase relates to temporary staff engaged for work on the Business and Industry Portal (BIP).
6. Decrease relates to the cessation of temporary staff engaged for work on the BIP, which is offset in part by additional staffing for the Advancing Small Business Queensland Strategy.

Budgeted financial statements

Analysis of budgeted financial statements

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

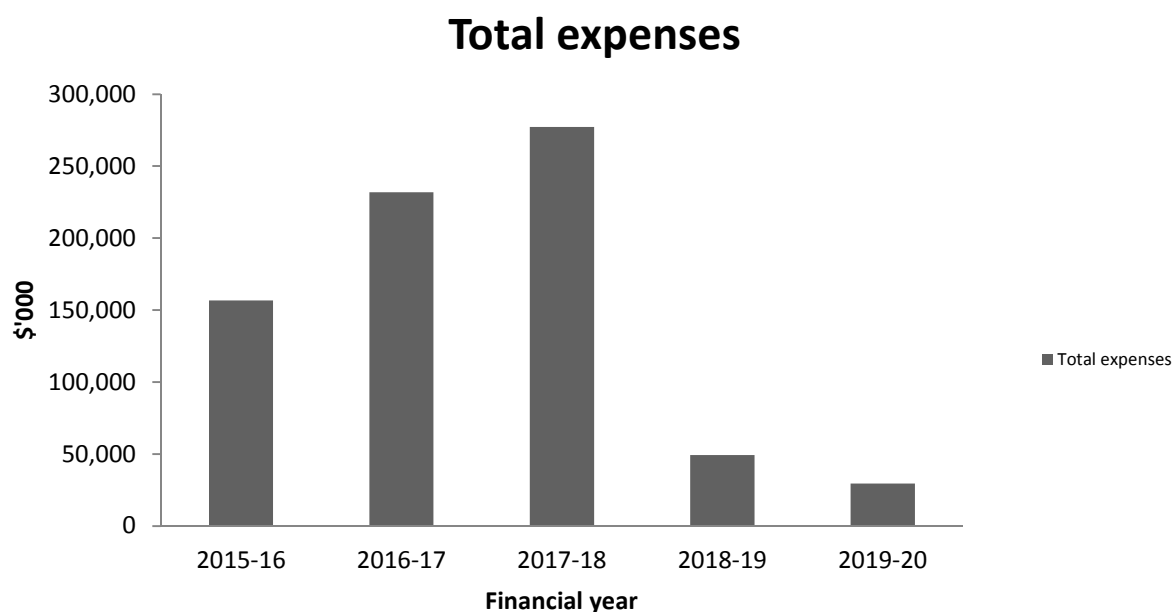
Departmental income statement

Total expenses are estimated to be \$231.8 million in 2016-17, an increase of \$75.1 million from the 2015-16 Estimated Actual. The increase is mainly due to additional expenses for the delivery of the Gold Coast 2018 Commonwealth Games (GC2018) venues; increased expenses for the Business and Industry Portal, the Attracting Aviation Investment Fund, Queensland Entrepreneurs of Tomorrow and the Tourism Demand Driver Infrastructure programs; and new expenses for the Advancing Small Business Queensland Strategy and the Advance Queensland: Connecting with Asia Strategy.

The movement in 2018-19 and 2019-20 reflects a decrease in expenses for GC2018 venues and the cessation of payments to the Australian Commonwealth Games Association.

The variation in funding over the forward estimates is the result of increased activity associated with preparations for the GC2018 primarily relating to the development and construction of venues.

Chart: Total departmental expenses across the Forward Estimates period



Departmental balance sheet

The department's major assets of property, plant and equipment have reduced which reflect the transfer out of capital works in progress for the development and construction of State-owned venues for the GC2018, being a decrease of \$58.5 million from 2015-16.

Controlled income statement

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2015-16 Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
INCOME				
Appropriation revenue	1,7,12	175,684	128,378	204,972
Taxes		..	..	..
User charges and fees	2,13	..	2,004	..
Royalties and land rents		..	..	..
Grants and other contributions	3,8	29,502	26,303	26,853
Interest		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
Total income		205,186	156,685	231,825
EXPENSES				
Employee expenses	4,9,14	14,992	17,624	20,536
Supplies and services	5,10,15	41,527	12,840	72,138
Grants and subsidies	6,11,16	148,472	126,026	138,956
Depreciation and amortisation		54	54	54
Finance/borrowing costs		..	..	..
Other expenses		141	141	141
Losses on sale/revaluation of assets		..	..	..
Total expenses		205,186	156,685	231,825
OPERATING SURPLUS/(DEFICIT)		..	..	..

Controlled balance sheet

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2015-16 Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
CURRENT ASSETS				
Cash assets	17,23	541	4,265	4,401
Receivables		710	917	944
Other financial assets		..	..	..
Inventories		..	..	..
Other	18,24	1,138	..	..
Non-financial assets held for sale		..	..	..
Total current assets		2,389	5,182	5,345
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	19,25	59,148	581	537
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		59,148	581	537
TOTAL ASSETS		61,537	5,763	5,882
CURRENT LIABILITIES				
Payables	20,26	606	2,839	3,028
Accrued employee benefits	21,27	390	961	891
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		996	3,800	3,919
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	..	..
TOTAL LIABILITIES		996	3,800	3,919
NET ASSETS/(LIABILITIES)		60,541	1,963	1,963
EQUITY				
TOTAL EQUITY	22,28	60,541	1,963	1,963

Controlled cash flow statement

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2015-16 Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts	29,37,44	175,684	129,684	204,972
User charges and fees	30,45	(35)	1,969	78
Royalties and land rent receipts		..	..	..
Grants and other contributions	31,38	29,502	26,303	26,853
Interest received		..	..	..
Taxes		..	..	..
Other		48	48	..
Outflows:				
Employee costs	32,39,46	(14,980)	(17,372)	(20,711)
Supplies and services	33,40,47	(41,408)	(13,208)	(71,951)
Grants and subsidies	34,41,48	(148,472)	(126,026)	(138,956)
Borrowing costs		..	..	..
Other		(123)	(145)	(139)
Net cash provided by or used in operating activities		216	1,253	146
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets	35,42,49	(43,439)	(37,216)	(11,665)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		(43,439)	(37,216)	(11,665)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	36,43,50	43,419	37,383	11,655
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		43,419	37,383	11,655
Net increase/(decrease) in cash held		196	1,420	136
Cash at the beginning of financial year		345	2,845	4,265
Cash transfers from restructure		..	..	..
Cash at the end of financial year		541	4,265	4,401

Administered income statement

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2015-16 Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
INCOME				
Appropriation revenue	51,53,55	170,386	166,506	269,906
Taxes		..	..	..
User charges and fees		..	..	..
Royalties and land rents		..	..	..
Grants and other contributions		..	..	..
Interest		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
Total income		170,386	166,506	269,906
EXPENSES				
Employee expenses		..	..	..
Supplies and services		..	..	..
Grants and subsidies	52,54,56	170,386	166,506	269,906
Depreciation and amortisation		..	..	..
Finance/borrowing costs		..	..	..
Other expenses		..	..	..
Losses on sale/revaluation of assets		..	..	..
Transfers of Administered Revenue to Government		..	..	..
Total expenses		170,386	166,506	269,906
OPERATING SURPLUS/(DEFICIT)		..	..	..

Administered balance sheet

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2015-16 Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
CURRENT ASSETS				
Cash assets	
Receivables	
Other financial assets	
Inventories	
Other	
Non-financial assets held for sale	
Total current assets	
NON-CURRENT ASSETS				
Receivables	
Other financial assets	
Property, plant and equipment	
Intangibles	
Other	
Total non-current assets	
TOTAL ASSETS	
CURRENT LIABILITIES				
Payables	
Transfers to Government payable	
Accrued employee benefits	
Interest bearing liabilities and derivatives	
Provisions	
Other	
Total current liabilities	
NON-CURRENT LIABILITIES				
Payables	
Accrued employee benefits	
Interest bearing liabilities and derivatives	
Provisions	
Other	
Total non-current liabilities	
TOTAL LIABILITIES	
NET ASSETS/(LIABILITIES)	
EQUITY				
TOTAL EQUITY	

Administered cash flow statement

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2015-16 Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts	57,59,61	170,386	168,012	269,906
User charges and fees		..	..	..
Royalties and land rent receipts		..	..	..
Grants and other contributions		..	..	..
Interest received		..	..	..
Taxes		..	..	..
Other		..	..	..
Outflows:				
Employee costs		..	..	..
Supplies and services		..	..	..
Grants and subsidies	58,60,62	(170,386)	(168,012)	(269,906)
Borrowing costs		..	..	..
Other		..	..	..
Transfers to Government		..	..	..
Net cash provided by or used in operating activities		..	..	..
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		..	..	..
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		..	..	..
Net increase/(decrease) in cash held		..	..	..
Cash at the beginning of financial year		..	..	..
Cash transfers from restructure		..	..	..
Cash at the end of financial year		..	..	..

Explanation of variances in the financial statements

Income statement

Major variations between 2015-16 Budget and 2015-16 Estimated Actual include:

1. The decrease relates largely to the realignment of revenue to match anticipated expenditure for the Gold Coast 2018 Commonwealth Games (GC2018), the Attracting Aviation Investment Fund (AAIF), the Tourism Demand Driver Infrastructure (TDDI) programs and the Business Industry Portal (BIP).
2. The increase principally relates to return of funds from the 2015 AFC Asian Cup and the Gold Coast Theme Park Capital of Australia campaign and funding received for upgrades to the Government's One-Stop Shop initiative.
3. The decrease relates to a delay in payment by the City of Gold Coast (CGC) towards GC2018 venues to match the timing of anticipated expenditure.
4. The increase principally relates to a realignment of staffing requirements within the Office of the Commonwealth Games (OCG) to deliver the GC2018. Additional increases are due to enterprise bargaining agreement (EBA) outcomes.
5. The decrease relates largely to a realignment to match the timing of anticipated expenditure for the GC2018 and the BIP.
6. The decrease principally relates to the realignment of expenditure from 2015-16 to match anticipated payments for GC2018 venues in 2016-17.

Major variations between 2015-16 Budget and 2016-17 Budget include:

7. The increase principally relates to the matching of funding to anticipated expenditure for existing GC2018, AAIF, BIP, Queensland Entrepreneurs of Tomorrow Program (QETP) and TDDI programs; with new funding provided for the Advancing Small Business Queensland Strategy (ASBQS) and the Advance Queensland: Connecting with Asia Strategy (AQCA).
8. The decrease relates to a delay in payment by the City of Gold Coast towards GC2018 venues to match the timing of anticipated expenditure.
9. The increase relates largely to the growth in OCG staffing for delivery of the GC2018, additional staffing for the implementation of the ASBQS, and the outcomes of EBA.
10. The increase primarily relates to a realignment from 2015-16 to 2016-17 to match the timing of anticipated expenditure for GC2018, additional expenses for the BIP, and new expenses for ASBQS and AQCA activities.
11. The decrease principally relates to a planned fall from 2015-16 to 2016-17 in capital grants for the GC2018 venues program.

Major variations between 2015-16 Estimated Actual and the 2016-17 Budget include:

12. The increase principally relates to the matching of funding to anticipated expenditure for existing GC2018, AAIF, BIP, QETP and TDDI programs; with new funding provided for ASBQS and AQCA activities.
13. The decrease is due to funding in 2015-16 relating to return of funds from the 2015 AFC Asian Cup and the Gold Coast Theme Park Capital of Australia campaign and funding was also received for upgrades to the Government's One-Stop Shop initiative.
14. The increase relates largely to the growth in OCG staffing for delivery of the GC2018, additional staffing for the implementation of the ASBQS, and the outcomes of EBA.
15. The increase primarily relates to a realignment from 2015-16 to 2016-17 to match the timing of anticipated expenditure for GC2018, additional expenses for the BIP, and new expenses for ASBQS and AQCA activities.
16. The increase principally relates to a realignment from 2015-16 to 2016-17 for anticipated expenditure for AAIF and TDDI programs and new expenses for ASBQS and AQCA activities.

Balance sheet

Major variations between 2015-16 Budget and 2015-16 Estimated Actual include:

17. The increase largely relates to the increase for payables.
18. The decrease relates to the removal of a prepayment for the Department of State Development (DSD) for venues works associated with GC2018 where funding provided has been expensed during 2015-16.

19. The decrease relates largely to the transfer of venues capital works in progress for the GC2018 to Stadiums Queensland (SQ) which controls the Queensland State Velodrome and Cararra Stadium facilities.
20. The increase largely relates to additional payables for the GC2018 venues due to changes in anticipated expenditure during 2015-16.
21. The increase largely relates to additional salary and wages payable for additional working days following the final pay in June.
22. The decrease relates largely to the transfer of venues capital works in progress for the GC2018 to SQ which controls the Queensland State Velodrome and Cararra Stadium facilities.

Major variations between 2015-16 Budget and 2016-17 Budget include:

23. The increase largely relates to the increase for payables.
24. The decrease relates to the removal of a prepayment for the DSD for venues works associated with GC2018 where funding provided has been expensed during 2015-16.
25. The decrease relates largely to the transfer of venues capital works in progress for the GC2018 to SQ which controls the Queensland State Velodrome and Cararra Stadium facilities.
26. The increase largely relates to additional payables for the GC2018 venues due to changes in anticipated expenditure during 2015-16.
27. The increase largely relates to additional salary and wages payable for additional working days following the final pay in June.
28. The decrease relates largely to the transfer of venues capital works in progress for the GC2018 to SQ which controls the Queensland State Velodrome and Cararra Stadium facilities.

Cash flow statement

Major variations between 2015-16 Budget and 2015-16 Estimated Actual include:

29. The decrease relates largely to the realignment of revenue to match anticipated expenditure for the the GC2018, AAIF, TDDI and the BIP.
30. The increase principally relates to return of funds from the 2015 AFC Asian Cup and the Gold Coast Theme Park Capital of Australia campaign and funding received for upgrades to the Government's One-Stop Shop initiative.
31. The decrease relates to a delay in payment by the CGC towards GC2018 venues to match the timing of anticipated expenditure.
32. The increase principally relates to a realignment of staffing requirements within the OCG to deliver the GC2018. Additional increases are due to EBA outcomes.
33. The decrease relates largely to a realignment to match the timing of anticipated expenditure for the GC2018 and the BIP.
34. The decrease principally relates to the realignment of expenditure from 2015-16 to match anticipated payments for GC2018 venues in 2016-17.
35. The decrease principally relates to a realignment of GC2018 venues capital expenditure for the Queensland State Velodrome and Cararra Stadium.
36. The decrease principally relates to a realignment of GC2018 venues capital expenditure for the Queensland State Velodrome and Cararra Stadium.

Major variations between 2015-16 Budget and 2016-17 Budget include:

37. The increase principally relates to the matching of funding to anticipated expenditure for existing GC2018, AAIF, BIP, QETP and TDDI programs; with new funding provided for ASBQS and AQCA activities.
38. The decrease relates to a delay in payment by the CGC towards GC2018 venues to match the timing of anticipated expenditure.
39. The increase relates largely to the growth in OCG staffing for delivery of the GC2018, additional staffing for the implementation of the ASBQS, and the outcomes of EBA.
40. The increase primarily relates to a realignment from 2015-16 to 2016-17 to match the timing of anticipated expenditure for GC2018, additional expenses for the BIP, and new expenses for ASBQS and AQCA activities.
41. The decrease principally relates to a planned fall from 2015-16 to 2016-17 in capital grants for the GC2018 venues program.

42. The decrease principally relates to a planned fall from 2015-16 to 2016-17 in GC2018 venues capital expenditure for the Queensland State Velodrome and Cararra Stadium.
43. The decrease principally relates to a planned fall from 2015-16 to 2016-17 in GC2018 venues capital expenditure for the Queensland State Velodrome and Cararra Stadium.

Major variations between 2015-16 Estimated Actual and the 2016-17 Budget include:

44. The increase principally relates to the matching of funding to anticipated expenditure for existing GC2018, AAIF, BIP, QETP and TDDI programs; with new funding provided for ASBQS and AQCA activities.
45. The decrease is due to funding in 2015-16 relating to return of funds from the 2015 AFC Asian Cup and the Gold Coast Theme Park Capital of Australia campaign and funding was also received for upgrades to the Government's One-Stop Shop initiative.
46. The increase relates largely to the growth in OCG staffing for delivery of the GC2018, additional staffing for the implementation of the ASBQS, and the outcomes of EBA.
47. The increase primarily relates to a realignment from 2015-16 to 2016-17 to match the timing of anticipated expenditure for GC2018, additional expenses for the BIP, and new expenses for ASBQS and AQCA activities.
48. The increase principally relates to a realignment from 2015-16 to 2016-17 for anticipated expenditure for AAIF and TDDI programs and new expenses for ASBQS and AQCA activities.
49. The decrease principally relates to a planned fall from 2015-16 to 2016-17 in GC2018 venues capital expenditure for the Queensland State Velodrome and Cararra Stadium.
50. The decrease principally relates to a planned fall from 2015-16 to 2016-17 in GC2018 venues capital expenditure for the Queensland State Velodrome and Cararra Stadium.

Administered income statement

Major variations between 2015-16 Budget and 2015-16 Estimated Actual include:

51. The decrease principally relates to the realignment of funding for Tourism and Events Queensland (TEQ) to match cashflows to known commitments for tourism campaigns and events.
52. The decrease principally relates to the realignment of grant expenses for TEQ to match cashflows to known commitments for tourism campaigns and events.

Major variations between 2015-16 Budget and 2016-17 Budget include:

53. The increase principally relates to the increase in funding for the Gold Coast 2018 Commonwealth Games Corporation (GOLDOC) associated with expected costs for event preparation.
54. The increase principally relates to the increase in grants for GOLDOC associated with expected costs for event preparation.

Major variations between 2015-16 Estimated Actual and the 2016-17 Budget include:

55. The increase principally relates to the increase in funding for GOLDOC associated with expected costs for event preparation.
56. The increase principally relates to the increase in grants for GOLDOC associated with expected costs for event preparation.

Administered cash flow statement

Major variations between 2015-16 Budget and 2015-16 Estimated Actual include:

57. The decrease principally relates to the realignment of funding for TEQ to match cashflows to known commitments for tourism campaigns and events.
58. The decrease principally relates to the realignment of grant expenses for TEQ to match cashflows to known commitments for tourism campaigns and events.

Major variations between 2015-16 Budget and 2016-17 Budget include:

- 59. The increase principally relates to the increase in funding for GOLDOC associated with expected costs for event preparation.
- 60. The increase principally relates to the increase in grants for GOLDOC associated with expected costs for event preparation.

Major variations between 2015-16 Estimated Actual and the 2016-17 Budget include:

- 61. The increase principally relates to the increase in funding for GOLDOC associated with expected costs for event preparation.
- 62. The increase principally relates to the increase in grants for GOLDOC associated with expected costs for event preparation.

Statutory bodies

Gold Coast 2018 Commonwealth Games Corporation (GOLDOC)

Overview

Gold Coast 2018 Commonwealth Games Corporation (GOLDOC) was established on 1 January 2012 under the *Commonwealth Games Arrangements Act 2011* to plan, organise and deliver the Gold Coast 2018 Commonwealth Games (GC2018). GOLDOC's vision is to stage a great Games in a great city, leaving great memories and great benefits for all.

Whilst factors impacting GOLDOC include managing relationships with multiple stakeholders, GOLDOC's mission is to conduct an athlete-focused Commonwealth Games with excellent competition in a fun and friendly environment with long lasting benefits for the Gold Coast, Queensland, Australia and the Commonwealth.

GOLDOC's strategic plan directly contributes to two of the Government's objectives for the community:

Creating jobs and a diverse economy by:

- helping to stimulate economic growth and innovation by working with our government and non-government partners to promote Queensland tourism as part of the GC2018 experience
- supporting the delivery of new infrastructure and investment by working with our government and non-government partners to make the most of the opportunities presented by GC2018.

Building safe, caring and connected communities by:

- engaging and harnessing the enthusiasm of our communities to participate in Games-related activities
- presenting GC2018 in a creative way that will encourage comprehensive and positive exposure and support
- engaging a volunteer workforce of up to 15,000 people by the commencement of GC2018.

Service summary

The Commonwealth Games Federation's (CGF) Coordination Commission visited the Gold Coast in December 2015 to evaluate progress in the organisation of GC2018. The Coordination Commission report confirmed that the CGF is satisfied with progress to date.

An extensive planning exercise developed the Business Plan for 2016-17 to identify key strategic priorities, develop the annual budget and review annual workforce planning requirements. Key strategic priorities for 2016-17 include:

- completing security assessments for all venues during 2016 with a detailed security risk mitigation strategy outlined for each venue. Principal procurement priorities include security screening equipment, contract security guards, an integrated CCTV solution to support the security overlay and measures to support venue perimeter security
- completing venue development and overlay designs and reviewing costs for all venues. Finalising procurement of all major work packages including supply-on-hire commodities and works coordination and management. Some smaller value packages will be contracted during the 2017-18 financial year
- engaging local governments to participate in community celebrations as part of the Queen's Baton Relay domestic sector. The international sector route will be defined in line with existing and new transport schedules and will commence on 13 March 2017 from Buckingham Palace in London
- progressing our contribution to the GC2018 Reconciliation Action Plan (the Plan) which will be the first of its kind delivered by a major event in Australian and Commonwealth Games history. The Plan will outline practical actions taken by GC2018 partners to build strong relationships and enhanced respect between Aboriginal and Torres Strait Islander peoples and other Australians
- launching the official Volunteer Program in early 2017 with the aim of having around 15,000 volunteers to assist with spectator services, uniform, transport and other services. The workforce functional area (FA) will design and run the program. A working group with representatives from a number of FAs will support the delivery of the program.

Service performance

Performance statement

Gold Coast 2018 Commonwealth Games Corporation (GOLDOC)

Service area objective

To plan, organise and deliver the Gold Coast 2018 Commonwealth Games (GC2018) in conjunction with the Australian Commonwealth Games Association (ACGA), the Commonwealth Games Federation (CGF), the City of Gold Coast (CoGC), the Office of Commonwealth Games (OCG) within the department, and the Australian Government.

Service area description

GOLDOC has responsibility for planning, organising and conducting GC2018. GOLDOC does this in conjunction with the ACGA, the CGF, the OCG and CoGC. Its role also includes the promotion, marketing, and the commercial and financial management of GC2018.

GC2018 will be the largest elite multi-sport event ever hosted on the Gold Coast. Across 11 days of competition from 4-15 April 2018, 6,600 athletes from 71 nations and territories will compete in 18 sports, including an integrated parasport program. GC2018 will be delivered by a team of over 1,000 paid employees and up to 15,000 volunteers. The Opening and Closing ceremonies will be held at Carrara Stadium and broadcast to an estimated cumulative global audience of 1.5 billion people.

Gold Coast 2018 Commonwealth Games Corporation	Notes	2015-16 Target/Est.	2015-16 Est. Actual	2016-17 Target/Est.
Service area: GOLDOC				
Service standards				
<i>Effectiveness measures</i>				
CGF's satisfaction with preparedness for GC2018	1	Satisfied	Satisfied	Satisfied
Level of target markets engagement in the GC2018	2	50%	50%	50%
<i>Efficiency measure</i>				
Percentage of total GC2018 commercial revenue target contracted	3	20%	20%	60%

Notes:

- The assessment of satisfaction is undertaken by a comprehensive external assessment of progress against an extensive list of requirements compiled from the experience of previous Games and the host city bid proposal and schedules. The assessment is made by the international oversight body, the CGF. This service standard is shared by GOLDOC which is responsible for planning the delivery of the actual event and the department which is responsible for co-ordinating the necessary infrastructure and government services to support GC2018.
- The target market is defined as all people over 18 years of age living on the Gold Coast, in Brisbane, within a four hour drive of the Gold Coast (excluding Brisbane and the Gold Coast), Sydney and Melbourne. Surveys are undertaken twice per year and conducted by an independent market research agency.
- Commercial revenue includes broadcast right holder fees, merchandising and royalty fees and the sale of tickets and sponsorships as forecast for the period from GOLDOC's formation until 30 June 2017. Contracts are negotiated progressively up until delivery of GC2018. The 2016-17 Target/Estimate is the expected progress towards the total by the end of June 2017.

Staffing¹

Gold Coast 2018 Commonwealth Games Corporation	Notes	2015-16 Budget	2015-16 Est. Actual	2016-17 Budget
Gold Coast 2018 Commonwealth Games Corporation (GOLDOC)	2, 3	264	194	509

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. The 2015-16 Budget reflects total head count whereas the 2015-16 Estimated Actual and 2016-17 Budget numbers represent FTEs. The increase in staffing is to ensure the delivery of all planned milestones in accordance with GOLDOC's business plan and compliance requirements set by the Commonwealth Games Federation. Major areas of growth for 2016-17 include Sport, Transport, Workforce, Venue Development and Overlay, Technology and Games Services.
3. The planned increase is aligned with the anticipated growth of an organising committee (as demonstrated by past Commonwealth Games). It also reflects various delivery model decisions, with certain functions being delivered in-house rather than outsourced to reduce risk and provide greater cost efficiencies.

Income statement

Gold Coast 2018 Commonwealth Games Corporation	Notes	2015-16 Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
INCOME				
Taxes		..	..	..
User charges and fees	1,5,12	..	1,887	2,696
Grants and other contributions	6,13	71,518	71,518	170,480
Interest		641	768	1,018
Other revenue		..	1	1
Gains on sale/revaluation of assets		..	..	..
Total income		72,159	74,174	174,195
EXPENSES				
Employee expenses	2,7,14	28,346	25,326	57,546
Supplies and services	8,15	41,509	41,716	123,761
Grants and subsidies		..	..	..
Depreciation and amortisation	9,16	2,273	2,274	9,665
Finance/borrowing costs		..	..	..
Other expenses		156	107	115
Losses on sale/revaluation of assets	3,10,17	..	1,575	477
Total expenses		72,284	70,998	191,564
OPERATING SURPLUS/(DEFICIT)	4,11,18	(125)	3,176	(17,369)

Balance sheet

Gold Coast 2018 Commonwealth Games Corporation	Notes	2015-16 Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
CURRENT ASSETS				
Cash assets	19,31,43	35,079	30,178	43,072
Receivables	20,32,44	11,041	18,511	42,620
Other financial assets	21,33,45	990	477	243
Inventories		..	..	..
Other		136	175	541
Non-financial assets held for sale		..	..	..
Total current assets		47,246	49,341	86,476
NON-CURRENT ASSETS				
Receivables	22,34	4,600	..	..
Other financial assets	23,35,46	470	243	..
Property, plant and equipment	24,36,47	5,438	10,653	7,600
Intangibles	25,37,48	..	1,624	812
Other	26,49	..	541	..
Total non-current assets		10,508	13,061	8,412
TOTAL ASSETS		57,754	62,402	94,888
CURRENT LIABILITIES				
Payables	27,38,50	2,061	499	296
Accrued employee benefits	28,39,51	1,048	1,500	1,720
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	40,52	..	..	91,063
Total current liabilities		3,109	1,999	93,079
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		63	211	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	29,41,53	47,756	41,014	..
Total non-current liabilities		47,819	41,225	..
TOTAL LIABILITIES		50,928	43,224	93,079
NET ASSETS/(LIABILITIES)		6,826	19,178	1,809
EQUITY				
TOTAL EQUITY	30,42,54	6,826	19,178	1,809

Cash flow statement

Gold Coast 2018 Commonwealth Games Corporation	Notes	2015-16 Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	55,61,68	16,641	22,319	54,798
Grants and other contributions	56,62,69	71,518	53,638	145,740
Interest received		641	770	1,018
Taxes		..	..	..
Other	57,63,70	..	3,531	12,102
Outflows:				
Employee costs	58,64,71	(27,933)	(24,965)	(57,537)
Supplies and services	65,72	(43,080)	(45,818)	(135,259)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other	59,66,73	524	(1,144)	(2,168)
Net cash provided by or used in operating activities		18,311	8,331	18,694
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets	60,67,74	(2,866)	(9,586)	(5,800)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		(2,866)	(9,586)	(5,800)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		..	..	..
Net increase/(decrease) in cash held		15,445	(1,255)	12,894
Cash at the beginning of financial year		19,634	31,433	30,178
Cash transfers from restructure		..	..	..
Cash at the end of financial year		35,079	30,178	43,072

Explanation of variances in the financial statements

Income statement

Major variations between 2015-16 Budget and 2015-16 Estimated Actual include:

1. The increase in user charges and fees is due to contracted commercial revenues in 2015-16 generated through sponsorship and licensing activities.
2. The reduction in employee expenses reflects the change in timing of staff recruitment in 2015-16.
3. The increase in losses on sale/revaluation of assets is due to the recognition of an estimated unrealised loss in 2015-16 when derivative contracts used for hedging foreign exchange risk were re-valued.
4. The operating surplus reflects the Gold Coast 2018 Commonwealth Games Corporation's (GOLDOC) life cycle budget approach, appropriate for a limited life statutory body. Surpluses and deficits are budgeted and accounted for as required, with GOLDOC budgeting a zero equity position following its dissolution by 30 June 2019.

Major variations between 2015-16 Budget and 2016-17 Budget include:

5. The increase in user charges and fees is due to contracted commercial revenues in 2016-17 generated through sponsorship and licensing activities.
6. The increase in grants and other contributions reflects the increased operational activity required to deliver the milestones and strategic priorities in GOLDOC's business plan and the compliance requirements set by the Commonwealth Games Federation (CGF).
7. The increase in employee expenses reflects the increased staffing required to deliver the milestones and strategic priorities in GOLDOC's business plan and the compliance requirements set by the CGF.
8. The increase in supplies and services reflects the increased operational activity required to deliver the milestones and strategic priorities in GOLDOC's business plan and the compliance requirements set by the CGF.
9. The increase in depreciation and amortisation principally relates to increased Games Headquarters (GHQ) office accommodation requirements.
10. The increase in losses on sale/revaluation of assets is due to the recognition of an estimated unrealised loss for 2016-17 when derivative contracts used for hedging foreign exchange risk will be re-valued.
11. The increase in the operating deficit reflects the utilisation of prior years' operating surpluses in line with GOLDOC's life cycle budget approach, appropriate for a limited life statutory body. Surpluses and deficits are budgeted and accounted for as required, with GOLDOC budgeting a zero equity position following its dissolution by 30 June 2019.

Major variations between 2015-16 Estimated Actual and the 2016-17 Budget include:

12. The increase in user charges and fees reflects the increased activity in commercial revenues generated through sponsorship and licensing activities.
13. The increase in grants and other contributions reflects the increased operational activity required to deliver the milestones and strategic priorities in GOLDOC's business plan and the compliance requirements set by the CGF.
14. The increase in employee expenses reflects the increased staffing required to deliver the milestones and strategic priorities in GOLDOC's business plan and the compliance requirements set by the CGF.
15. The increase in supplies and services reflects the increased operational activity required to deliver the milestones and strategic priorities in GOLDOC's business plan and the compliance requirements set by the CGF.
16. The increase in depreciation and amortisation principally relates to increased GHQ office accommodation requirements.
17. The reduction in losses on sale/revaluation of assets reflects the estimated unrealised loss arising from the revaluation of derivative contracts used for hedging foreign exchange risk.
18. The increase in the operating deficit reflects the utilisation of prior years' operating surpluses in line with GOLDOC's life cycle budget approach, appropriate for a limited life statutory body. The deficit is budgeted as grant funding was required to be recognised when received in previous years, while the expenditure of these funds is occurring across several years. GOLDOC has budgeted a zero equity position following its dissolution by 30 June 2019.

Balance sheet

Major variations between 2015-16 Budget and 2015-16 Estimated Actual include:

19. The reduction in cash assets principally reflects the expected timing of commercial revenue received in advance of operational activity as per contracted arrangements.
20. The increase in current receivables reflects the expected timing of 2015-16 grant funding being receivable in 2016-17.
21. The reduction in current other financial assets reflects unrealised changes following revaluation of derivative contracts used for hedging foreign exchange risk.
22. The reduction in non-current receivables relates to a change in recognition of receivables for broadcast rights.
23. The reduction in non-current other financial assets reflects unrealised changes following revaluation of derivative contracts used for hedging foreign exchange risk.
24. The increase in property, plant and equipment is principally due to the increasing GHQ office accommodation requirements in 2016-17.
25. The increase in intangibles reflects the reclassification of intangible assets from property, plant and equipment.
26. The increase in other non-current assets principally relates to prepayments associated with 2017-18 expenditure.
27. The reduction in current payables reflects the changed timing of supplier payments planned for 2015-16 being payable in 2016-17.
28. The increase in current accrued employee benefits principally relates to accrued annual leave due to increased staffing required to deliver the milestones and strategic priorities in GOLDOC's business plan and the compliance requirements set by the CGF.
29. The reduction in other non-current liabilities relates to a change to the accounting recognition of receivables for broadcast rights. Broadcast rights payments are now recognised when they are due.
30. The increase in total equity reflects the increased operating surplus in 2015-16 in line with GOLDOC's life cycle budget approach, appropriate for a limited life statutory body. GOLDOC has budgeted a zero equity position following its dissolution by 30 June 2019.

Major variations between 2015-16 Budget and 2016-17 Budget include:

31. The increase in cash assets principally reflects the expected timing of commercial revenue received in advance of operational expenditure as per contracted arrangements.
32. The increase in current receivables reflects the expected timing of 2016-17 grant funding being receivable in 2017-18.
33. The reduction in current other financial assets reflects unrealised changes following revaluation of derivative contracts used for hedging foreign exchange risk.
34. The reduction in non-current receivables relates to a change to the accounting recognition of receivables for broadcast rights. Broadcast rights payments are now recognised when they are due.
35. The reduction in non-current other financial assets reflects unrealised changes following revaluation of derivative contracts used for hedging foreign exchange risk.
36. The increase in property, plant and equipment is principally due to the increasing GHQ office accommodation requirements in 2016-17.
37. The increase in intangibles reflects the reclassification of intangible assets from property, plant and equipment.
38. The reduction in current payables reflects the changed timing of supplier payments planned for 2015-16 being payable in 2016-17.
39. The increase in current accrued employee benefits principally relates to accrued annual leave due to increased staffing required to deliver the milestones and strategic priorities in GOLDOC's business plan and the compliance requirements set by the CGF.
40. The increase in other current liabilities reflects commercial revenue received in advance recognised as unearned revenue and the reclassification of unearned revenue from non-current liabilities.
41. The reduction in other non-current liabilities reflects the reclassification of unearned revenue to other current liabilities.

42. The reduction in total equity reflects the operating deficit in 2016-17 utilising prior years' surpluses in line with GOLDOC's life cycle budget approach, appropriate for a limited life statutory body. GOLDOC has budgeted a zero equity position following its dissolution by 30 June 2019.

Major variations between 2015-16 Estimated Actual and the 2016-17 Budget include:

43. The increase in cash assets principally reflects the expected timing of commercial revenue received in advance of operational expenditure as per contracted arrangements.
44. The increase in current receivables reflects the expected timing of grant funding being receivable in 2017-18.
45. The reduction in current other financial assets reflects unrealised changes following revaluation of derivative contracts used for hedging foreign exchange risk.
46. The reduction in non-current other financial assets reflects unrealised changes following revaluation of derivative contracts used for hedging foreign exchange risk.
47. The reduction in property, plant and equipment principally relates to accumulated depreciation.
48. The reduction in intangibles principally relates to accumulated amortisation.
49. The reduction in other non-current assets reflects the reclassification of prepayments to other current assets.
50. The reduction in current payables reflects the changed timing of supplier payments planned for 2015-16 being payable in 2016-17.
51. The increase in current accrued employee benefits principally relates to accrued annual leave due to increased staffing required to deliver the milestones and strategic priorities in GOLDOC's business plan and the compliance requirements set by the CGF.
52. The increase in other current liabilities reflects commercial revenue received in advance recognised as unearned revenue and the reclassification of unearned revenue from non-current liabilities.
53. The reduction in other non-current liabilities reflects the reclassification of unearned revenue to other current liabilities.
54. The reduction in total equity reflects the operating deficit in 2016-17 utilising prior years' surpluses in line with GOLDOC's life cycle budget approach, appropriate for a limited life statutory body. GOLDOC has budgeted a zero equity position following its dissolution by 30 June 2019.

Cash flow statement

Major variations between 2015-16 Budget and 2015-16 Estimated Actual include:

55. The increase in inflows for user charges and fees reflects the increased activity in commercial revenues generated through broadcast rights activities.
56. The reduction in grants and other contributions reflects the expected timing of grant funding being receivable in 2016-17.
57. The increase in other operating inflows is due to the unbudgeted goods and services tax (GST) collectible from the Australian Taxation Office (ATO) for supplies and services in 2015-16.
58. The reduction in outflows for employee costs reflects the change in timing of staff recruitment in 2015-16.
59. The increase in other operating outflows principally relates to the unbudgeted GST payable to the ATO in 2015-16.
60. The increase in outflows for payments for non-financial assets is principally due to increasing GHQ office accommodation requirements.

Major variations between 2015-16 Budget and 2016-17 Budget include:

61. The increase in inflows for user charges and fees reflects the increased activity in commercial revenues generated through broadcast rights, sponsorship and ticketing activities.
62. The increase in inflows for grants and other contributions reflects the increased operational activity required to deliver the milestones and strategic priorities in GOLDOC's business plan and the compliance requirements set by the CGF.
63. The increase in other operating inflows is due to the unbudgeted GST collectible from the ATO for supplies and services in 2015-16.
64. The increase in outflows for employee costs reflects the increased staffing required to deliver the milestones and strategic priorities in GOLDOC's business plan and the compliance requirements set by the CGF.

- 65. The increase in outflows for supplies and services reflects the increased operational activity required to deliver the milestones and strategic priorities in GOLDOC's business plan and the compliance requirements set by the CGF.
- 66. The increase in other operating outflows principally relates to the unbudgeted GST payable to the ATO in 2015-16.
- 67. The increase in outflows for payments for non-financial assets is principally due to increasing GHQ office accommodation requirements.

Major variations between 2015-16 Estimated Actual and the 2016-17 Budget include:

- 68. The increase in inflows for user charges and fees reflects the increased activity in commercial revenues generated through broadcast rights, sponsorship and ticketing activities.
- 69. The increase in inflows for grants and other contributions reflects the increased operational activity required to deliver the milestones and strategic priorities in GOLDOC's business plan and the compliance requirements set by the CGF.
- 70. The increase in other operating inflows reflects the GST collectible from the ATO for increased supplies and services in 2016-17.
- 71. The increase in outflows for employee costs reflects the increased staffing required to deliver the milestones and strategic priorities in GOLDOC's business plan and the compliance requirements set by the CGF.
- 72. The increase in outflows for supplies and services reflects the increased operational activity required to deliver the milestones and strategic priorities in GOLDOC's business plan and the compliance requirements set by the CGF.
- 73. The increase in other operating outflows reflects the GST payable to the ATO for the increased user charges and fees in 2016-17.
- 74. The reduction in outflows for payments for non-financial assets is principally due to increased GHQ office accommodation requirements in 2016-17.

Tourism and Events Queensland (TEQ)

Overview

TEQ's objectives are to: attract visitors to Queensland; generate overnight visitor expenditure; contribute to the Queensland economy; enhance the profile of Queensland; and foster community pride in Queensland.

TEQ contributes to the Queensland Government's objectives for the community of creating jobs and a diverse economy; protecting the environment; and building safe, caring and connected communities by:

- promoting Queensland's iconic experiences to key domestic and international markets
- strengthening Queensland's events calendar through strategic event acquisition
- providing support and leadership to Queensland's regional tourism organisation (RTO) network and industry.

Service summary

TEQ's key focus areas for 2016-17 include:

- strengthening Queensland's events calendar through: attracting and securing major events for Queensland; strategically investing in events that deliver the greatest benefits across Queensland; and maximising tourism opportunities associated with the Gold Coast 2018 Commonwealth Games. Recent and upcoming event highlights include the World Science Festival, CMC Rocks, IRONMAN Asia-Pacific Championships and high value business events such as Routes Asia 2018
- accelerating efforts to target priority Asian markets and maximising the tourism potential and engagement for Queensland from these growing visitor markets
- marketing iconic experiences, such as natural encounters, reef, islands and beaches, outback and adventure, events and Queensland lifestyle under the Queensland Where Australia Shines brand and assisting industry to deliver and promote experiences that appeal to consumers. Digital assets will be utilised as a key delivery mechanism for marketing activities including social media networks, TEQ Smartphone and tablet applications and consumer website
- increasing key visitor market access through aviation activities that deliver additional routes and capacity into Queensland. In 2015-16, the Attracting Aviation Investment Fund supported additional routes including: Hong Kong Airlines (Hong Kong - Gold Coast - Cairns); Jetstar (Wuhan - Gold Coast); and Air Canada (Vancouver - Brisbane)
- strengthening existing and identifying new strategic partnerships with airlines, travel trade and industry and delivering activities under established partnerships. In 2015-16, Queensland signed Memorandums of Understanding with China Eastern Airlines; China Southern Airlines (Asia's largest airline); and Mafengwo Network Technology (China's largest online social travel network operator)
- supporting TEQ's partnership with Queensland's 13 RTOs through the new Tourism Network Funding Program 2016-2019
- maximising opportunities from the international education market by promoting the benefits of studying in Queensland in line with the Queensland Government's international education strategy. A key focus will be identifying partnership opportunities with tertiary education institutions.

Service performance

Performance statement

Tourism and Events Queensland (TEQ)

Service area objective

To achieve economic and social benefits for the State by growing the tourism and events industry in a partnership between industry and Government.

Service area description

TEQ's core functions are marketing, event acquisition and experience development.

Tourism and Events Queensland	Notes	2015-16 Target/Est.	2015-16 Est. Actual	2016-17 Target/Est.
Service area: Tourism and Events Queensland				
Service standards				
<i>Effectiveness measures</i>				
Overnight visitor expenditure generated by events within the TEQ portfolio		\$264 million	\$287 million	\$300 million
Direct visitor nights generated by events within the TEQ portfolio		1,524,444	1,599,603	1,750,000
Direct and incremental spending generated by events within the TEQ portfolio		\$343 million	\$356 million	\$375 million
Visitors to Queensland generated by events within the TEQ portfolio		211,872	216,271	225,000
Publicity and promotional value generated by TEQ activities	1	\$190 million	\$360 million	\$220 million
Value of collaborative support	2	\$14 million	\$16 million	\$19 million
<i>Efficiency measure</i>				
Efficient leverage of regional and strategic partnership investment	3	1:1	1:1	1:1

Notes:

1. TEQ-led publicity associated with David Attenborough's Great Barrier Reef series that aired in the United Kingdom in addition to other broadcast programming that aired in Brazil and China contributed significantly to the strong publicity outcome for 2015-16. These programs have a one-off impact and future opportunities such as these are difficult to forecast.
2. Collaborative value includes all direct, indirect, contra and in-kind partner support (valued in writing from partners and/or forming part of a formalised agreement) for tourism and event marketing and destination and experience development projects. From 2016-17 this service standard will also include cooperative marketing support secured through the Attracting Aviation Investment Fund which is administered by the department.
3. This service standard measures the ratio of partner investment to the investment made by TEQ in regional and partnership activities.

Staffing¹

Tourism and Events Queensland	Notes	2015-16 Budget	2015-16 Est. Actual	2016-17 Budget
Tourism and Events Queensland		140	140	140

Note:

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

Income statement

Tourism and Events Queensland	Notes	2015-16 Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
INCOME				
Taxes		..	..	..
User charges and fees		10,000	10,000	10,000
Grants and other contributions	1,5,8	101,978	100,798	102,736
Interest		200	200	200
Other revenue		400	900	400
Gains on sale/revaluation of assets		..	..	..
Total income		112,578	111,898	113,336
EXPENSES				
Employee expenses	2	17,407	17,533	17,965
Supplies and services	3,6	49,566	52,122	54,001
Grants and subsidies	4,7	44,055	40,693	39,820
Depreciation and amortisation		400	400	400
Finance/borrowing costs		..	..	..
Other expenses		1,150	1,150	1,150
Losses on sale/revaluation of assets		..	..	..
Total expenses		112,578	111,898	113,336
OPERATING SURPLUS/(DEFICIT)		..	..	..

Balance sheet

Tourism and Events Queensland	Notes	2015-16 Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
CURRENT ASSETS				
Cash assets	9	7,533	4,327	4,775
Receivables		3,002	3,911	3,721
Other financial assets		..	116	116
Inventories		..	..	..
Other		57	174	177
Non-financial assets held for sale		..	..	..
Total current assets		10,592	8,528	8,789
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		664	745	745
Property, plant and equipment		1,623	1,254	1,254
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		2,287	1,999	1,999
TOTAL ASSETS		12,879	10,527	10,788
CURRENT LIABILITIES				
Payables	10	6,659	4,582	4,783
Accrued employee benefits		2,818	2,655	2,705
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		518	260	260
Total current liabilities		9,995	7,497	7,748
NON-CURRENT LIABILITIES				
Payables		302	314	314
Accrued employee benefits		373	507	517
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		675	821	831
TOTAL LIABILITIES		10,670	8,318	8,579
NET ASSETS/(LIABILITIES)		2,209	2,209	2,209
EQUITY				
TOTAL EQUITY		2,209	2,209	2,209

Cash flow statement

Tourism and Events Queensland	Notes	2015-16 Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees		10,202	10,202	10,202
Grants and other contributions	11,13,16	101,978	100,798	102,736
Interest received		200	200	200
Taxes		..	..	..
Other		388	888	388
Outflows:				
Employee costs		(17,347)	(17,473)	(17,905)
Supplies and services	14	(49,618)	(52,174)	(53,803)
Grants and subsidies	12,15	(44,055)	(40,693)	(39,820)
Borrowing costs		..	..	..
Other		(1,150)	(1,150)	(1,150)
Net cash provided by or used in operating activities		598	598	848
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets		(300)	(300)	(400)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		(300)	(300)	(400)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		..	..	..
Net increase/(decrease) in cash held		298	298	448
Cash at the beginning of financial year		7,235	4,029	4,327
Cash transfers from restructure		..	..	..
Cash at the end of financial year		7,533	4,327	4,775

Explanation of variances in the financial statements

Income statement

Major variations between 2015-16 Budget and 2015-16 Estimated Actual include:

1. The decrease is principally explained by the deferral of grant funding of \$2.5 million from 2015-16 to 2016-17 to match the timing of anticipated program activity, offset by Attracting Aviation Investment Funding of \$2 million and other special incentive grants of \$700,000 from State and Commonwealth Government agencies received and recognised during 2015-16.
2. The increase primarily reflects the cost of the 2015-16 Section 831 Payment.
3. The decrease primarily reflects the re-allocation of spend from event activities to marketing activities in line with approved programs.
4. The decrease primarily reflects the re-allocation of spend from event activities to marketing activities in line with approved programs.

Major variations between 2015-16 Budget and 2016-17 Budget include:

5. The increase is principally as a result of a special initiative grant of \$200,000 that will be received in 2016-17.
6. The increase primarily reflects the re-allocation of spend from event activities to marketing activities in line with approved programs.
7. The decrease primarily reflects the re-allocation of spend from event activities to marketing activities in line with approved programs.

Major variations between 2015-16 Estimated Actual and the 2016-17 Budget include:

8. The increase is principally explained by the deferral of grant funding of \$2.5 million from 2015-16 to 2016-17 to match the timing of anticipated program activity, offset by Attracting Aviation Investment Funding of \$2 million and other special initiative grants of \$700,000 from State and Commonwealth agencies received and recognised during 2015-16.

Balance sheet

Major variations between 2015-16 Budget and 2015-16 Estimated Actual include:

9. Decrease in cash assets due to anticipated earlier completion of activities originally planned for June 2016 and payment of associated invoices.
10. Decrease in payables reflects anticipated reduction in accruals required in 2015-16 for activities taking place during June 2016.

Cash flow statement

Major variations between 2015-16 Budget and 2015-16 Estimated Actual include:

11. The decrease is principally explained by the deferral of grant funding of \$2.5 million from 2015-16 to 2016-17 to match the timing of anticipated program activity, offset by Attracting Aviation Investment Funding of \$2 million and other special incentive grants of \$700,000 from State and Commonwealth Government agencies received and recognised during 2015-16.
12. The decrease primarily reflects the re-allocation of spend from event activities to marketing activities in line with approved programs.

Major variations between 2015-16 Budget and 2016-17 Budget include:

13. The increase is principally as a result of a special initiative grant of \$200,000 that will be received in 2016-17.
14. The increase primarily reflects the re-allocation of spend from event activities to marketing activities in line with approved programs.
15. The decrease primarily reflects the re-allocation of spend from event activities to marketing activities in line with approved programs.

Major variations between 2015-16 Estimated Actual and the 2016-17 Budget include:

16. The increase is principally explained by the deferral of grant funding of \$2.5 million from 2015-16 to 2016-17 to match the timing of anticipated program activity, offset by Attracting Aviation Investment Funding of \$2 million and other special initiative grants of \$700,000 from State and Commonwealth agencies received and recognised during 2015-16.

Glossary of terms

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

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

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

