

PART 1

Premier

Summary of Portfolio Budgets

Page	Agency	2007-08 Adjusted Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
1-3	Department of the Premier and Cabinet – controlled	102,665 ²	111,616	119,765
	Department of the Premier and Cabinet – administered	96,473 ²	134,823	186,111
1-29	Office of the Governor - controlled	4,443	4,613	4,934
1-37	Public Service Commission (Proposed) - controlled	15,918	18,838	13,575
1-49	Queensland Audit Office - controlled	30,821	33,137	34,417
1-61	Commission for Children and Young People and Child Guardian	36,341	39,951	41,390
1-68	Family Responsibilities Commission	..	1,164	3,675
1-74	Queensland Events Corporation Pty Ltd	12,130	19,260	15,124
1-81	South Bank Corporation	69,202	65,587	68,771

Notes:

1. Explanations of variances are provided in the financial statements section.
2. Adjusted for machinery-of-Government changes.

Department of the Premier and Cabinet

Departmental Overview

Strategic Issues

Providing high quality advice and support to the Premier, as the first Minister and Chair of Cabinet, is the core purpose of the Department of the Premier and Cabinet. It necessitates providing advice that balances short-term considerations with the Government's long term vision; identifying and seizing opportunities; managing the challenges of population growth and a diverse and growing economy; mitigating risks such as skills shortages; strengthening Indigenous communities; managing our effect on the environment; and continuously improving the efficiency and productivity of the routines of Government.

Providing leadership to the Queensland public service in the delivery of the Government's priorities including:

- *Building on Economic Success*
- *Embracing Growth in Cities and Regions*
- *Fostering Healthy Individuals and Communities*
- *Strengthening Educational Outcomes*
- *Managing Climate Change and Protecting the Environment*
- *Strengthening Indigenous Communities*
- *Modernising the Federation and Delivering Accountable Government.*

Effective planning and policies will enable this growth to be harnessed to drive continued economic and social prosperity. Collaborative partnerships with the Commonwealth and other levels of government will enable improved infrastructure and better services for Queenslanders.

The decisions made now and the actions taken over the next few years are vital for the future of Queensland and the department is working with stakeholders on how best to seize these opportunities and meet these challenges.

The Department of the Premier and Cabinet will need to maintain high-quality support for the routines of Government and policy advice, while increasing the assistance provided for the Premier's role in the Council of Australian Governments (COAG), the Council for the Australian Federation (CAF) and other national forums.

2008-09 Highlights

During 2008-09 the department will:

- Coordinate the Government's involvement in the Far North Queensland regional sitting of Parliament to be held in Cairns on 28 - 30 October 2008
- Manage the appointment process for the 25th Governor of Queensland
- Drive and facilitate the implementation of priorities and service delivery reforms across 21 remote Indigenous communities through:
 - the Cape York Welfare Reform trials in Aurukun, Coen, Hope Vale and Mossman Gorge;

- alcohol management reforms, including supply reduction and the enhancement of services to support alcohol and other substances misuse; and
- supporting government agencies and communities to implement local targets and priorities identified for each community through Local Indigenous Partnership Agreements, informed by the overarching Indigenous Partnership Agreement.
- Review Queensland's government boards, committees and statutory authorities
- Coordinate the delivery of Queensland's 150th Celebrations in 2009
- Support the Premier in her role as Chair of CAF from October 2008, and manage the CAF work program for Queensland across policy initiatives including interstate harmonisation and promoting a more efficient and effective system of federalism
- Assist development of whole-of-Government initiatives to manage urban congestion
- Enhance Community Cabinet agendas to enable broader and more frequent community engagement
- Oversee the launch and implementation of the *2008 Smart State Strategy* and respond to the fifth round of Smart State Council reports, including *Smart State = Creative State*, and *Food and Fibre Sector Research and Development*
- Manage the program of work associated with the reinvigorated COAG, including coordinating and progressing implementation of COAG's new reform agenda across major service delivery priorities such as health and aging, education, training and skills, housing, infrastructure, climate change and water, Indigenous reform, and business regulation and competition
- Coordinate the development of the Government's position on a national emissions trading scheme
- Continue to chair the Eat Well Be Active (EWBA) Taskforce, which oversees and coordinates implementation of initiatives announced at the 2006 Obesity Summit
- Continue to oversee the directions and initiatives of the four EWBA working groups including the *Find Your 30* public communications campaign and the Healthy Lifestyle Program for the Public Service: Guidelines for Healthy Government Agencies
- Identify and develop strategic international alliances in support of the Smart State Strategy sectors in regions such as China, France, India, Italy, United Kingdom, Germany, Canada and the United States of America (USA)
- Replace the current Cabinet information system to facilitate the electronic transmission and coordination of Cabinet business across Government
- Produce a strong legislative program on sensitive and important public issues
- Finalise a review of preventative detention of serious sexual and violent offenders
- Participate in *Exercise Mercury 08* in October to test national counter-terrorism arrangements
- Participate in the COAG Pandemic Influenza Exercise series, including two exercises in 2008 to evaluate the coordination of public information and evaluate policy and decision-making processes during a pandemic
- Improve public access to legislation and legislative information, including continued free internet access for the public of all legislation produced at the State Government level
- Finalise an implementation plan for the COAG inter-jurisdictional exchange of criminal history information for people working with children
- Continue to chair the Queensland COAG Mental Health Group to provide a forum for oversight of Commonwealth and State commitments and to ensure a coordinated package of services and structures for Queensland

- Continue coordination of consultation on conservation and Indigenous land management programs on Cape York Peninsula leading to the nomination of at least three Wild River basins and other tenure resolution outcomes
- Manage the Growing the Smart State Funding Program, providing a seventh round of research grants to PhD students.

2007-08 Achievements

In 2007-08 the department:

- Facilitated the swearing in of the Premier and Ministers on 13 September 2007
- Supported the Premier at two COAG meetings, where significant national reform is underway
- Coordinated the discussion of infrastructure issues across States and Territories ahead of the December 2007 COAG, contributing to urban congestion being identified as a priority area for investment by COAG
- Chaired the national COAG sub-group on climate change adaptation
- Worked on and progressed the COAG cross-jurisdictional regulatory hot-spots in conjunction with other agencies
- Chaired the Queensland COAG Mental Health Group to provide a forum for oversight of Commonwealth and State commitments and to ensure a coordinated package of services and structures for Queensland
- Supported the Premier at three CAF meetings
- Led the development of the *Family Responsibilities Commission Act 2008* and implementation of the Government's commitments for the Cape York Welfare Reform trial
- Prepared and managed: 646 Cabinet submissions and 773 Cabinet decisions; 396 Committee submissions and 383 Committee decisions and organised around 539 formal deputations as part of the Community Cabinet initiative to facilitate community access to the government decision-makers
- Developed the Public Service Bill as part of the public service reform project to modernise the public service
- Coordinated the Premier's official overseas visits to China, Japan, India and the USA
- Chaired the Eat Well Be Active (EWBA) Taskforce, which oversees and coordinates implementation of initiatives announced at the 2006 Obesity Summit
- Oversaw the directions of the four EWBA working groups resulting in the delivery of Phase 2 (*Find Your 30*) of a public communications campaign which began in March 2008
- Published the *Smart State Strategy Progress Report 2007* in October 2007, and prepared the next stage of the Smart State Strategy
- Hosted a Queensland 2020 forum and provided all delegates with a statistical snapshot of Queensland to inform their participation at the Australia 2020 Summit
- Facilitated the activation and implementation of the Premier's Disaster Relief Appeal Fund, for the purpose of assisting victims affected by the devastation of the 2008 Queensland floods
- Supported the development of the Indigenous Partnership Agreement, negotiated and agreed by the Premier and Mayors of 17 mainland Aboriginal and Torres Strait Island Shire Councils

- Developed a streamlined planning and reporting framework for government activities and interventions on Palm Island
- Coordinated the State Funeral for Dr Clem Jones AO
- Facilitated research on attitudes towards daylight saving in Queensland to assist the Government in considering the issue
- Led the design and introduction of the Aurukun Local Partnerships Project, including the establishment of office and residential accommodation
- Facilitated Queensland's international knowledge partnerships through the initiation of strategic collaborative agreements with China, Germany, India and Indonesia and the implementation of activities under whole-of-Government agreements with the Smithsonian Institution (USA), Lombardy (Italy) and Shanghai (China)
- Drafted extensive legislation on sensitive and important public issues including:
 - community services, family responsibilities and Indigenous heritage;
 - child protection, protection against sexual offenders;
 - protection against terrorism;
 - water, transport and local government reform; and
 - significant legislation relating to education and education institutions.
- Continued to monitor and report on implementation risks of government initiatives
- Coordinated the development and implementation of the *Queensland Counter-Terrorism Strategy 2008-2010*, the *Queensland Counter-Terrorism Plan* and the *Queensland Manual for Protecting National Security Information*
- Promulgated the Criminal Justice Evaluation Framework to assist Queensland criminal justice agencies to evaluate their programs and initiatives
- Coordinated the introduction of the Queensland Indigenous Alcohol Diversion Program
- Chaired the Bundaberg Claims Management Committee which finalised the majority of claims by former patients of Dr Jayant Patel and the Bundaberg Hospital
- Coordinated State Government involvement in national water reform programs in particular with respect to urban water programs
- Coordinated government and stakeholder action to deliver conservation and Indigenous community outcomes for Cape York Peninsula, in particular through the passing of the *Cape York Peninsula Heritage Act 2007*
- Contributed to legislation by advising on legislative principles and alternative ways of achieving policy objectives; notifying departments of the automatic expiry of subordinate legislation; and assisting with national scheme legislation.

Departmental Outputs

The Department of the Premier and Cabinet supports the Premier in her role as the Parliamentary Leader of the Government, Chair of Cabinet, Chief Adviser to the Governor, Member of the Council of Australian Governments and Member of the Council for the Australian Federation. The department has lead agency and whole-of-Government coordination responsibility for constitutional matters, intergovernmental relations and policy advice on economic, environmental and social impact matters.

During the year the Urban Congestion Taskforce was established and as a result of machinery-of-Government changes the International Trade Development output, Future Directions Strategy unit and the Festival of Ideas project were transferred from the department. In addition, the Indigenous Government Coordination unit was transferred to the department. The department's outputs for 2008-09 are:

Policy Advice, Coordination and Cabinet Support

This output provides policy development, advice and coordination for the Premier and Cabinet and operational support to Cabinet. This output informs Government decision-making and leadership in key policy areas and promotes high standards of ethics, accountability, consultation and integrated policy development, implementation and evaluation. In addition the output coordinates a broad range of whole-of-Government activities. The output also provides expert advice on, and logistical support for, the administration of Cabinet and maintains custodianship of the Cabinet record.

Government and Executive Services

Government and Executive Services (GES) output includes a range of services involving the provision of policy advice to the Premier in relation to executive government and machinery-of-Government matters, and support to the administration of business before the Executive Council; support services to Ministerial Offices and Parliamentary Secretaries; and fixed-wing services to meet emergency and other aviation needs of the community and the Government. GES also incorporates services related to the provision of coordinated whole-of-Government advice on counter-terrorism policy issues and initiatives. In addition, GES includes services involved in the management and coordination of events, State occasions, official visits and functions, and whole-of-Government communication activities.

Legislative Drafting, Advisory and Information Services

Legislative Drafting, Advisory and Information Services (LDAIS) provides comprehensive high-quality legislative drafting, advisory services and publications, and the continual enhancement of legislation and legislative information to Government and the community. LDAIS is delivered by the Office of the Queensland Parliamentary Counsel and provides the Government's legislative reform agenda.

Staffing¹

Output	Notes	2007-08 Budget	2007-08 Est. Actual	2008-09 Estimate
Outputs²				
Policy Advice, Coordination and Cabinet Support	3	150	193	179
Government and Executive Services	4	184	171	189
Legislative Drafting, Advisory and Information Services		59	53	60
Total outputs		393	417	428
ADMINISTERED	5	254	251	251
Corporate services provided to other agencies		22	24	17
Total		669	692	696

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate FTEs are allocated across the outputs to which they relate.
3. Increase in 2007-08 Estimated Actual due to the transfer of the Indigenous Government Coordination unit to the department and short term projects/taskforces due to end by the 30 June 2008 such as the public sector reform project.
4. A number of positions are currently subject to recruitment processes.
5. The staffing numbers have been decreased by three in Ministerial Offices.

2008-09 Output Summary¹

Output	Total cost \$'000	Sources of revenue			
		Appropriation \$'000	User charges \$'000	C'wealth revenue \$'000	Other revenue \$'000
Policy Advice, Coordination and Cabinet Support	48,106	45,165	..	75	2,866
Government and Executive Services	59,330	55,003	473	..	3,854
Legislative Drafting, Advisory and Information Services	9,127	9,107	18	..	2
Total	116,563	109,275	491	75	6,722

Notes:

1. Explanations of variances are provided in the financial statements.
2. The total revenue sources do not equal the "Total income" in the financial statements as the Department provides corporate services to the proposed Public Service Commission, Commission for Children and Young People and Child Guardian, Department of Tourism, Regional Development and Industry, Queensland Treasury, Department of Infrastructure and Planning, Office of the Governor and Trade Queensland within Queensland Transport.

Administered Items

Ministerial Offices and Office of the Leader of the Opposition and Office of the Leader of the Liberal Party

Description

The key clients of this Administered Item are Ministers, Parliamentary Secretaries, the Leader of the Opposition and the Leader of the Liberal Party. The services provided are:

- supporting Ministers to undertake their responsibility as Ministers of the Crown
- managing expenditure relating to policy, media, administrative and secretarial staff and associated resources for all Ministerial Offices
- maintaining adequate procedures to ensure the financial accountability of these offices in accordance with the *Queensland Ministerial Handbook*
- providing similar corporate support for the Offices of the Leader of the Opposition and Leader of the Liberal Party.

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

Review of Output Performance

Recent achievements and emerging issues

Significant achievements include:

- Ministerial and Parliamentary Secretary offices were restructured and a new Ministry was sworn-in following a change of Premier on 13 September 2007
- Reviewed and updated the *Queensland Ministerial Handbook* to maintain its currency and relevance.

Future developments

During 2008-09 this area will focus on:

- Implementing of the *Whole-of-Government Travel Management System*
- Implementing a new information and communication technologies service delivery model for Ministerial, Parliamentary Secretary, Opposition and Coalition Offices.

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

Performance Statement

Measures	Notes	2007-08 Target/Est.	2007-08 Est. Actual	2008-09 Target/Est.
Administered Item: Ministerial Offices and Office of the Leader of the Opposition and Office of the Leader of the Liberal Party				
Staff numbers	1	254	251	251
Policies and Guidelines		Ongoing review	Ongoing review	Ongoing review
Public Report of office expenses to Parliament		February and August	February and August	February and August
Report to individual Ministers and the Office of the Leader of the Opposition and Office of the Leader of the Liberal Party		Monthly	Monthly	Monthly
State contribution (\$000)		37,172	37,832	38,578
Other revenue (\$000)		..	..	..
Total cost (\$000)		37,172	37,832	38,578

Note:

1. The staffing numbers have been decreased by three in Ministerial Offices.

Budget and Expenses by Office

Budget and Expenses by Office¹ 1 July 2007 to 12 September 2007	Notes	2007-08 Budget \$'000	2007-08 Actual \$'000	2008-09 Estimate \$'000
Premier and Minister for Trade		4,690	1,361	..
Deputy Premier, Treasurer, Minister for Infrastructure		2,250	708	..
Minister for Transport and Main Roads		1,838	632	..
Minister for Public Works, Housing and Information and Communication Technology		1,417	426	..
Minister for Police and Corrective Services		1,476	356	..
Minister for Education and Training, Minister for the Arts		1,819	536	..
Minister for Health		1,796	535	..
Minister for State Development, Employment and Industrial Relations		1,828	574	..
Minister for Communities, Minister for Disability Services, Minister for Aboriginal and Torres Strait Islander Partnerships, Minister for Seniors and Youth		1,972	634	..
Minister for Child Safety		1,489	442	..
Minister for Tourism, Fair Trading and Wine Industry Development and Women		1,361	421	..
Minister for Primary Industries and Fisheries		1,521	404	..
Minister for Emergency Services	2	1,122	336	..
Minister for Local Government, Planning and Sport		1,415	458	..
Minister for Mines & Energy		1,365	348	..
Attorney-General and Minister for Justice and Minister assisting the Premier in Western Queensland		1,127	307	..
Minister for Environment & Multiculturalism		1,458	416	..
Minister for Natural Resources and Water and Minister Assisting the Premier in North Queensland		1,678	440	..
Total for Ministerial Offices		31,623	9,334	..
Parliamentary Secretary to the Minister for Health		96	9	..
Parliamentary Secretary to the Minister for Communities, Disability Services, Aboriginal and Torres Strait Islander Partnerships, Seniors and Youth		84	17	..
Parliamentary Secretary to the Deputy Premier, Treasurer and Minister for Infrastructure		97	6	..
Parliamentary Secretary to the Minister for Transport		87	23	..
Parliamentary Secretary to the Minister for Main Roads		94	19	..
Parliamentary Secretary to the Minister for Education and Training and Minister for the Arts		94	12	..
Parliamentary Secretary to the Minister for State Development, Employment and Industrial Relations		85	26	..
Parliamentary Secretary to the Minister for Child Safety		86	20	..
Parliamentary Secretary to the Minister for State Development, Employment and Industrial Relations and Minister for Primary Industries and Fisheries		81	26	..

Budget and Expenses by Office¹ 1 July 2007 to 12 September 2007	Notes	2007-08 Budget \$'000	2007-08 Actual \$'000	2008-09 Estimate \$'000
Parliamentary Secretary to the Minister for Environment and Multiculturalism	3	87	26	..
Parliamentary Secretary to the Minister for Communities, Minister for Disability Services, Minister for Aboriginal and Torres Strait Islander Partnerships, Minister for Seniors and Youth 2		83	18	..
Parliamentary Secretary to the Minister for Local Government, Planning and Sport		..	19	..
Total for Parliamentary Secretaries		974	221	..
Total for Ministerial Offices and Parliamentary Secretaries		32,598	9,555	..
Office of the Leader of the Opposition		2,128	635	..
Office of the Leader of the Liberal Party		549	158	..
Total for Non-Government support		2,677	793	..
Corporate Support		1,897	570	..
Grand Total		37,172	10,918	..

Notes:

1. Figures may not add due to rounding.
2. Current Minister for Emergency Services Neil Roberts gained responsibility for his new portfolio effective 10 July 2007, and ceased his role as Parliamentary Secretary to the Deputy Premier
3. This Portfolio was created after the budget was presented, therefore an original budget is not attributed to this Office for 2007-08.

Budget and Expenses by Office ¹ from 13 September 2007	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
Premier		..	3,110	4,993
Deputy Premier and Minister for Infrastructure and Planning		..	1,251	2,007
Minister for Public Works, Housing and Information and Communication Technology		..	882	1,542
Minister for Police and Corrective Services and Sport		..	984	1,537
Treasurer		..	1,065	1,761
Minister for Education and Training, Minister for the Arts		..	1,170	1,824
Minister for Health		..	1,168	1,867
Minister for Transport, Trade, Employment and Industrial Relations		..	1,129	1,966
Minister for Main Roads and Local Government		..	1,130	1,795
Minister for Child Safety and Minister for Women		..	860	1,363
Minister for Tourism, Regional Development and Industry		..	979	1,570
Minister for Primary Industries and Fisheries		..	1,047	1,418
Minister for Mines and Energy		..	987	1,400
Minister for Natural Resources and Water and Minister Assisting the Premier in North Queensland		..	1,195	1,721
Minister for Communities, Minister for Disability Services, Minister for Aboriginal and Torres Strait Islander Partnerships, Minister for Multicultural Affairs, Seniors and Youth		..	1,214	2,020
Attorney-General and Minister for Justice and Minister Assisting the Premier in Western Queensland		..	757	1,323
Minister for Emergency Services		..	717	1,103
Minister for Sustainability, Climate Change and Innovation		..	785	1,386
Total Ministerial Offices		..	20,430	32,595
Parliamentary Secretary to the Premier		..	44	90
Parliamentary Secretary to the Deputy Premier and Minister for Infrastructure and Planning		..	33	77
Parliamentary Secretary to the Minister for Police, Corrective Services and Sport		..	29	77
Parliamentary Secretary to the Treasurer		..	36	67
Parliamentary Secretary to the Minister for Education and Training, Minister for the Arts		..	46	86
Parliamentary Secretary to the Minister for Health		..	23	87
Parliamentary Secretary to the Minister for Transport, Trade, Employment and Industrial Relations		..	47	87
Parliamentary Secretary to the Minister for Multicultural Affairs	2	..	36	53
Parliamentary Secretary to the Minister for Main Roads and Local Government	3	..	18	..
Parliamentary Secretary to the Attorney-General and Minister for Justice and Minister Assisting the Premier in Western Queensland	4	..	4	76
Parliamentary Secretary to the Minister for Tourism, Regional Development and Industry		..	29	62

Budget and Expenses by Office¹ from 13 September 2007	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
Parliamentary Secretary to the Minister for Communities, Minister for Disability Services, Minister for Aboriginal and Torres Strait Islander Partnerships, Minister for Multicultural Affairs, Seniors and Youth		..	42	74
Total Parliamentary Secretaries		..	387	836
Total for Ministerial Offices and Parliamentary Secretaries		..	20,817	33,432
Former Premier	5	..	36	10
Office of the Leader of the Opposition		..	1,560	2,184
Office of the Leader of the Liberal Party		..	404	568
Total for Non-Government support		..	2,000	2,761
Corporate Support	6	..	4,097	2,385
GRAND TOTAL		..	26,914	38,578

Notes:

- Figures may not add due to rounding.
- Parliamentary Secretary portfolio responsibilities for Transport, Trade and Industrial Relations ceased on 1 November 2007.
- Ministerial Portfolio changed to Parliamentary Secretary to the Attorney-General and Minister for Justice and Minister Assisting the Premier in Western Queensland effective 25 April 2008.
- Year to date budget has been calculated from 1 May 2008.
- Former Premier entitlements commenced 13 September 2007 for The Honourable Peter Beattie.
- The 2007-08 estimated actual expenditure for Corporate Support is \$1.767 million. This is a saving of \$130,000. In addition, \$2.9 million in unspent funds has been carried forward to meet future Ministerial and Opposition expenses such as IT replacement and salary increments rather than seeking additional funds from the Consolidated Fund.

Staff by Office

Staff by Office ¹	Notes	2007-08 Est. Act.	2008-09 Estimate
Premier		34	34
Deputy Premier and Minister for Infrastructure and Planning		14	14
Minister for Public Works, Housing and Information and Communication Technology		10	10
Minister for Police and Corrective Services and Sport		11	11
Treasurer		12	12
Minister for Education and Training, Minister for the Arts		14	14
Minister for Health		14	14
Minister for Transport, Trade, Employment and Industrial Relations		15	15
Minister for Main Roads and Local Government		13	12
Minister for Communities, Minister for Disability Services, Minister for Aboriginal and Torres Strait Islander Partnerships, Minister for Multicultural Affairs, Seniors and Youth		14	14
Minister for Child Safety and Minister for Women		9	9
Minister for Tourism, Regional Development and Industry		11	11
Minister for Primary Industries and Fisheries		9	9
Minister for Emergency Services		8	8
Minister for Mines and Energy		10	10
Attorney-General and Minister for Justice and Minister Assisting the Premier in Western Queensland		9	10
Minister for Sustainability, Climate Change and Innovation		10	10
Minister for Natural Resources and Water and Minister Assisting the Premier in North Queensland		12	12
Total for Ministerial Offices		229	229
Office of the Leader of the Opposition		16	16
Office of the Leader of the Liberal Party		6	6
Total for Non-Government support		22	22
Corporate Support	
Grand Total		251	251

Note:

1. Figures may not add due to rounding.

Departmental Statements

Performance Statement

Measures	Notes	2007-08 Target/Est.	2007-08 Est. Actual	2008-09 Target/Est.
Output name: Policy Advice, Coordination and Cabinet Support				
Number of briefing notes provided to the Premier	1	2,000	2,300	2,000
Number of Cabinet meetings supported	1	44	47	44
Number of Community Cabinet meetings supported	1	10	9	10
Number of Cabinet Committee meetings supported	2	75	100	100
Percentage of briefs and policy advice provided within 15 working days or by agreed date		95%	95%	95%
Average time taken for the preparation of the Cabinet bag		Average 2 hours	Average 2 hours	Average 2 hours
Percentage of Cabinet Secretariat timeframes met for Cabinet decisions	3	90% success in circulation by 4.30pm day following	90% success in circulation by 4.30pm day following	90% success in circulation by 4.30pm day following
Percentage of Cabinet Secretariat timeframes met for Community Cabinet Program		100% success in circulation by COB Thursday prior	100% success in circulation by COB Thursday prior	100% success in circulation by COB Thursday prior
State contribution (\$000)		30,507	37,646	45,165
Other revenue (\$000)		1,049	2,432	2,941
Total cost (\$000)		31,556	40,078	48,106
Output name: Government and Executive Services				
Number of Executive Council Minutes		1,150	1,180	1,175
Number of Governor's regional visit and general issues briefs		1,100	1,770	1,500
Number of briefs provided to the Premier	1	3,745	3,215	3,282
Number of items of Ministerial correspondence		50,000	49,000	53,000
Number of Ministerial Office training days provided	4	150	350	150
Total flying hours achieved (organ retrievals, search and rescue, official transport, other)		700	650	750
Number of protocol functions and official visits organised		135/75	125/70	135/75
Number of major event activities organised for Queensland		33	39	36
Number of speeches and related services prepared	1	500	410	440

Measures	Notes	2007-08 Target/Est.	2007-08 Est. Actual	2008-09 Target/Est.
Number of process improvement reviews undertaken	5	44	33	22
% of FOI applications processed within statutory timeframes		100%	100%	100%
% protocol products and services developed within agreed timeframes		95%	95%	95%
% of Ministerial correspondence completed on time		85%	82%	85%
State contribution (\$000)		49,171	48,610	55,003
Other revenue (\$000)		2,478	3,288	4,327
Total cost (\$000)		51,649	51,898	59,330

Output name: Legislative Drafting, Advisory and Information Services

Reasonable levels of output:	6			
Number of Bills provided		..	70	..
Number of instruments of subordinate legislation provided		..	320	..
Number of pages of Bills and subordinate legislation provided		..	7,100	..
Number of amendments during consideration in detail provided		..	40	..
Number of pages of amendments during consideration in detail provided		..	150	..
Number of pages prepared in camera-ready form for publication		..	190,000	..
High client satisfaction:		85%	85%	85%
Qualitative evaluation of client satisfaction of direct Government drafting clients				
High proportion of deadlines met:				
Percentage of agreed deadlines met for:				
Printed publications		100% for mandatory deadlines 90% for other deadline	100% for mandatory deadlines 90% for other deadline	100% for mandatory deadlines 90% for other deadline
Electronic publications		75%	80%	75%
State contribution (\$000)		8,239	8,346	9,107
Other revenue (\$000)		18	18	20
Total cost (\$000)		8,257	8,364	9,127

Notes:

1. This is a demand driven measure and fluctuates accordingly.
2. Additional Cabinet Committees were established during the year, which increased the number of meetings supported.
3. This result was obtained as a calculation by monitoring the release of decisions over a six month period (October 2007 to April 2008).
4. A higher than expected estimated actual result due to workplace behaviour training offered to all staff.
5. This measure was formally classified as a quality type measure.
6. Workloads are driven by the Government's legislative program and the sittings pattern of the Legislative Assembly. Outputs are not consistent throughout the year and may vary from year to year.

Income Statement

Department of the Premier and Cabinet	Notes	2007-08 Adjusted Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
Income				
Output revenue	1,11	93,817	100,584	109,275
User charges	2,12	5,371	5,506	3,692
Grants and other contributions	3,13	3,469	5,285	6,779
Other revenue		8	8	19
Gains on sale/revaluation of property, plant and equipment and investments	4	..	233	..
Total income		102,665	111,616	119,765
Expenses				
Employee expenses	5,14	45,625	47,176	45,781
Supplies and services	6,15	28,143	31,899	33,719
Grants and subsidies	7,16	23,796	26,874	34,557
Depreciation and amortisation	8,17	2,557	2,600	3,428
Finance/borrowing costs	9	1,170	1,403	1,055
Other expenses	10	1,374	1,664	1,225
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		102,665	111,616	119,765
OPERATING SURPLUS/(DEFICIT)		..	..	..

Statement of Changes in Equity

Department of the Premier and Cabinet	Notes	2007-08 Adjusted Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
Net effect of the changes in accounting policies and prior year adjustments	
Increase/(decrease) in asset revaluation reserve	
Net amount of all revenue and expense adjustments direct to equity not disclosed above	
Net income recognised directly in equity	
Surplus/(deficit) for the period	
Total recognised income and expense for the period	
Equity injection/(withdrawal)		11,695	16,131	2,961
Equity adjustments (MoG transfers)		(43,174)	(42,859)	..
Total movement in equity for period		(31,479)	(26,728)	2,961

Balance Sheet

Department of the Premier and Cabinet	Notes	2007-08 Adjusted Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
CURRENT ASSETS				
Cash assets		2,237	2,022	1,071
Receivables		3,260	3,260	3,260
Other financial assets		..	..	..
Inventories		120	121	121
Other		1,630	1,630	1,630
Non-financial assets held for sale		..	..	..
Total current assets		7,247	7,033	6,082
NON-CURRENT ASSETS				
Receivables		175	175	175
Other financial assets		..	..	..
Property, plant and equipment	18,21	24,484	27,816	27,848
Intangibles	19,22	1,997	2,939	5,879
Other		..	..	..
Total non-current assets		26,656	30,930	33,902
TOTAL ASSETS		33,903	37,963	39,984
CURRENT LIABILITIES				
Payables		4,446	4,411	4,411
Employee benefit obligations		4,691	4,691	4,691
Interest-bearing liabilities and derivatives		940	940	999
Provisions		..	..	..
Other		18	..	..
Total current liabilities		10,095	10,042	10,101
NON-CURRENT LIABILITIES				
Payables		..	..	..
Employee benefits obligations		794	794	794
Interest-bearing liabilities and derivatives		16,827	16,827	15,828
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		17,621	17,621	16,622
TOTAL LIABILITIES		27,716	27,663	26,723
NET ASSETS/(LIABILITIES)		6,187	10,300	13,261
EQUITY				
Capital/contributed equity	20,23	(9,017)	(4,255)	(1,294)
Retained surplus/(accumulated deficit)		15,204	14,555	14,555
Reserves:				
- Asset revaluation reserve		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		6,187	10,300	13,261

Cash Flow Statement

Department of the Premier and Cabinet	Notes	2007-08 Adjusted Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Output receipts	24,35	93,817	102,504	109,275
User charges	25,36	6,052	7,385	4,366
Grants and other contributions	26,37	3,469	5,285	6,779
Other		2,654	2,880	2,665
Outflows:				
Employee costs	38	(45,625)	(45,825)	(45,781)
Supplies and services	27,39	(30,494)	(37,160)	(36,063)
Grants and subsidies	28,40	(23,796)	(26,874)	(34,557)
Borrowing costs	29	(1,170)	(1,474)	(1,055)
Other	30	(2,055)	(2,345)	(1,906)
Net cash provided by/(used in) operating activities		2,852	4,376	3,723
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment	31	..	9,036	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	32,41	(1,478)	(8,054)	(6,695)
Payments for investments	42	(12,408)	(12,408)	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		(13,886)	(11,426)	(6,695)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	33,43	12,529	16,650	3,275
Outflows:				
Borrowing redemptions	34	(885)	(10,131)	(940)
Finance lease payments		..	..	..
Equity withdrawals	44	(834)	(519)	(314)
Net cash provided by/(used in) financing activities		10,810	6,000	2,021
Net increase/(decrease) in cash held		(224)	(1,050)	(951)
Cash at the beginning of financial year		3,967	4,578	2,022
Cash transfers from restructure		(1,506)	(1,506)	..
Cash at the end of financial year		2,237	2,022	1,071

Income Statement

EXPENSES AND REVENUES ADMINISTERED ON BEHALF OF THE WHOLE-OF- GOVERNMENT	Notes	2007-08 Adjusted Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
Revenues				
Commonwealth grants		..	..	..
Taxes, fees and fines		..	..	..
Royalties, property income and other territorial revenue		..	..	..
Interest		..	..	..
Administered revenue	1,4	96,473	134,823	186,111
Other		2,690	2,764	2,764
Total revenues		99,163	137,587	188,875
Expenses				
Supplies and services	2,5	12,161	12,821	12,736
Depreciation and amortisation		362	362	350
Grants and subsidies	3,6	59,189	96,879	147,421
Benefit payments		..	..	..
Borrowing costs		..	..	..
Other	7	24,761	24,761	25,604
Total expenses		96,473	134,823	186,111
Net surplus or deficit before transfers to Government		2,690	2,764	2,764
Transfers of administered revenue to Government		2,690	2,764	2,764
OPERATING SURPLUS/(DEFICIT)		..	..	..

Balance Sheet

ASSETS AND LIABILITIES ADMINISTERED ON BEHALF OF THE WHOLE-OF- GOVERNMENT	Notes	2007-08 Adjusted Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
CURRENT ASSETS				
Cash assets		12,269	10,641	11,901
Receivables	8,10	661	264	265
Inventories		..	..	..
Other		29	36	36
Non-financial assets held for sale		..	..	.
Total current assets		12,959	10,941	12,202
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		960	920	921
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		960	920	921
TOTAL ADMINISTERED ASSETS		13,919	11,861	13,123
CURRENT LIABILITIES				
Payables	9,11	3,783	2,700	2,752
Transfers to Government payable		..	..	..
Interest-bearing liabilities		..	..	..
Other		..	..	..
Total current liabilities		3,783	2,700	2,752
NON-CURRENT LIABILITIES				
Payables	9,11	7,273	6,015	7,215
Interest-bearing liabilities		..	..	..
Other		20	10	20
Total non-current liabilities		7,293	6,025	7,235
TOTAL ADMINISTERED LIABILITIES		11,076	8,725	9,987
ADMINISTERED NET ASSETS/(LIABILITIES)		2,843	3,136	3,136
EQUITY				
Capital/Contributed equity		2,838	2,960	2,960
Retained surplus/(Accumulated deficit)		5	176	176
Reserves:				
- Asset revaluation reserve		..	..	..
- Other (specify)		..	..	..
TOTAL ADMINISTERED EQUITY		2,843	3,136	3,136

Cash Flow Statement

CASH FLOWS ADMINISTERED ON BEHALF OF THE WHOLE-OF-GOVERNMENT	Notes	2007-08 Adjusted Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Administered item receipts	12,17	96,473	134,363	186,111
Grants and other contributions		2,690	2,764	2,764
Taxes, fees and fines		..	..	..
Royalties, property income and other territorial revenues		..	..	..
Other	13	(1)	(4,192)	(1)
Outflows:				
Transfers to Government		(2,690)	(3,212)	(2,764)
Grants and subsidies	14,18	(59,189)	(96,419)	(147,421)
Supplies and services	15,19	(12,161)	(12,821)	(12,736)
Borrowing costs		..	..	..
Other	20	(23,499)	(23,499)	(24,342)
Net cash provided by/(used in) operating activities		1,623	5,368	1,611
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	16	(343)	(563)	(351)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		(343)	(563)	(351)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		..	..	..
Net increase/(decrease) in cash held		1,280	4,805	1,260
Administered cash at beginning of financial year		10,989	5,836	10,641
Cash transfers from restructure		..	..	..
Administered cash at end of financial year		12,269	10,641	11,901

Explanation of Variances in the Financial Statements

Income Statement

Major variations between 2007-08 Adjusted Budget and 2007-08 Estimated Actual include:

1. An increase in Output revenue primarily due to additional funding provided for the Cape York Welfare Reform Initiative, the implementation of the Information and Communication Technology Infrastructure and Network Strategy, development of SmartCab (Queensland's new Cabinet Information System) and the refurbishment of the 100 George Street media room. The increase is also attributable to funding carried forward from 2006-07 for the State Crisis Centre, 2004 Boxing Day Tsunami Aid, the 2007 Asia Pacific Economic Co-operation meetings, the Aboriginal and Torres Strait Islander Career Pathways program, the Reef Water Quality Protection Plan, counter-terrorism activities, Growing the Smart State PhD Grant program, the electronic Document and Records Management System (eDRMS), the Council for the Australian Federation Secretariat and finalisation of support to the Tropical Cyclone Larry Relief Appeal. The increase in funding is partly offset by contributions to the Department of Education, Training and the Arts for the Cape York Indigenous Arts Program and Premier's Arts Prize, to Queensland Police Service for the Youth Violence Campaign, and to the Department of Local Government, Sport and Recreation for the Rugby League World Cup.
2. An increase in User charges primarily due to additional revenue received for Queensland's 150th Celebration's number plates and the recognition of revenue received but unearned in 2006-07 for event and communication activities. The increase is partly offset by lower than anticipated revenues for corporate services provided to other agencies.
3. An increase in Grants and other contributions primarily due to the receipt of additional contributions for the Reconciliation Awards, Working with Children Check scoping study, Queensland's 150th Celebration's Club 150 memberships and the transfer to the department of the Indigenous Government Coordination unit. The increase is also attributable to the recognition of revenue received but unearned in 2006-07 for the 2007 Australian of the Year Tour of Honour, Queensland Week, the 2007 RiverFestival, the 2007 @Work and Play, the Reef Water Quality Protection Plan, and the Council for the Australian Federation Secretariat.
4. An increase in Gains on sale/revaluation of property, plant and equipment and investments is attributable to the sale of the old Hawker 800XP Aircraft in August 2007.
5. An increase in Employee expenses due to additional expenses in 2007-08 associated with the transfer to the department of the Indigenous Government Coordination unit, the Cape York Welfare Reform Initiative, the development of SmartCab (Queensland's new Cabinet Information System), as well as costs carried forward from 2006-07 for the electronic Document and Records Management System (eDRMS), the Reef Water Quality Protection Plan, counter-terrorism activities and the finalisation of support to the Tropical Cyclone Larry Relief Appeal.
6. An increase in Supplies and services due to additional costs associated with the transfer to the department of the Indigenous Government Coordination unit, the Cape York Welfare Reform Initiative, the Working with Children Check scoping study, development of SmartCab (Queensland's new Cabinet Information System), the implementation of the Information and Communication Technology Infrastructure and Network Strategy, Queensland's 150th Celebration's Club 150 memberships and number plate purchases, the refurbishment of the 100 George Street media room and increased event and communication activities including the Reconciliation Awards, the 2007 Australian of the Year Tour of Honour, the 2007 @Work and Play and Queensland Week. The increase is also attributable to costs carried forward from 2006-07 for the State Crisis Centre, the Council for the Australian Federation Secretariat, the Aboriginal and Torres Strait Islander Career Pathways program, the electronic Document and Records Management System (eDRMS), the 2007 Asia Pacific Economic Co-operation meetings and the Reef Water Quality Protection Plan. This increase is partly offset by the deferral of committed funding into 2008-09 for Queensland's 150th Celebration activities.
7. An increase in Grants and subsidies primarily due to additional grant payments for the Cape York Welfare Reform Initiative, Growing the Smart State PhD Grant program and grants carried forward for the 2004 Boxing Day Tsunami Aid.
8. An increase in depreciation and amortisation resulting from the implementation of the Information and Communication Technology Infrastructure and Network Strategy.
9. An increase in Finance/borrowing costs due to additional interest repayments arising from the unexpected delay in the sale of the old Hawker 800XP Aircraft in August 2007.
10. An increase in Other expenses primarily due to sponsoring the Spirit of the Bush concert, the Asia Pacific Cities Summit, and the Brisbane Institute in 2008, as well as the carry forward of the 2007 RiverFestival sponsorship from 2006-07.

Major variations between 2007-08 Adjusted Budget and 2008-09 Estimate include:

11. An increase in Output revenue primarily due to additional funding provided for the Cape York Welfare Reform Initiative, the 2008 regional sitting of the Parliament, Queensland's 150th Celebrations in 2009, completion of SmartCab (Queensland's new Cabinet Information System), the implementation of the Information and Communication Technology Infrastructure and Network Strategy and the electronic Document and Records Management System (eDRMS), Enterprise Bargaining arrangements, the Centre for Queensland Government and the 2010 World Expo in Shanghai, China. This increase is partly offset by the full year effect of machinery-of-Government transfers which occurred in 2007-08.
12. A decrease in User charges due to a reduction in the number of agencies to which the department provides corporate services.
13. An increase in Grants and other contributions primarily due to additional contributions from State Government agencies to the Indigenous Government Coordination unit and Queensland's 150th Celebrations in 2009. This increase is partly offset by reduced revenues in relation to @Work and Play and the full year effect of machinery-of-Government transfers which occurred in 2007-08.
14. An increase in Employee expenses primarily due to additional costs associated with the Cape York Welfare Reform Initiative, Enterprise Bargaining arrangements, the completion of SmartCab (Queensland's new Cabinet Information System), the implementation of the Information and Communication Technology Infrastructure and Network Strategy and the electronic Document and Records Management System (eDRMS). This increase is offset by the full year effect of machinery-of-Government transfers which occurred in 2007-08 as well as reduced costs associated with corporate services provided to other agencies and @Work and Play.
15. An increase in Supplies and services due to additional costs associated with the Cape York Welfare Reform Initiative, the transfer to the department of the Indigenous Government Coordination unit, the 2008 regional sitting of the Parliament, Queensland's 150th Celebrations in 2009, completion of SmartCab (Queensland's new Cabinet Information System), the implementation of the Information and Communication Technology Infrastructure and Network Strategy and the electronic Document and Records Management System (eDRMS), the Centre for Queensland Government and the 2010 World

Expo in Shanghai, China. This increase is partly offset by the full year effect of machinery-of-Government transfers which occurred in 2007-08.

16. An increase in Grants and subsidies primarily due to additional grants for the Cape York Welfare Reform Initiative, Queensland's 150th Celebrations in 2009 and the Centre for Queensland Government.
17. An increase in Depreciation and amortisation primarily due to the implementation of the Information and Communication Technology Infrastructure and Network Strategy and the electronic Document and Records Management System (eDRMS), and the completion of SmartCab (Queensland's new Cabinet Information System) and State Crisis Centre software applications.

Balance Sheet

Major variations between 2007-08 Adjusted Budget and 2007-08 Estimated Actual include:

18. An increase in Property, plant and equipment primarily due to the implementation of the Information and Communication Technology Infrastructure and Network Strategy.
19. An increase in Intangibles due to the development of State Crisis Centre software applications, and the initial rollout of the electronic Document and Records Management System (eDRMS) across the department.
20. An increase in Capital/contributed equity primarily due to the injection of funds to implement the Information and Communication Technology Infrastructure and Network Strategy and the electronic Document and Records Management System (eDRMS).

Major variations between 2007-08 Adjusted Budget and 2008-09 Estimate include:

21. An increase in Property, plant and equipment primarily due to the implementation of the Information and Communication Technology Infrastructure and Network Strategy.
22. An increase in Intangibles due to the completion of SmartCab (Queensland's new Cabinet Information System), State Crisis Centre software applications and the electronic Document and Records Management System (eDRMS).
23. An increase in Capital/contributed equity primarily due to the injection of funds to implement the Information and Communication Technology Infrastructure and Network Strategy and the completion of the electronic Document and Records Management System (eDRMS) and SmartCab (Queensland's new Cabinet Information System).

Cash Flow Statement

Major variations between 2007-08 Adjusted Budget and 2007-08 Estimated Actual include:

24. An increase in Output receipts primarily due to cash provided for the Cape York Welfare Reform Initiative, the implementation of the Information and Communication Technology Infrastructure and Network Strategy, development of SmartCab (Queensland's new Cabinet Information System) and the refurbishment of the 100 George Street media room. The increase is also attributable to provision of cash for initiatives carried forward from 2006-07 including the State Crisis Centre, 2004 Boxing Day Tsunami Aid, the 2007 Asia Pacific Economic Co-operation meetings, the Aboriginal and Torres Strait Islander Career Pathways program, the Reef Water Quality Protection Plan, counter-terrorism activities, Growing the Smart State PhD Grant program, the electronic Document and Records Management System (eDRMS), the Council for the Australian Federation Secretariat and finalisation of support to the Tropical Cyclone Larry Relief Appeal. The additional funding is partly offset by contributions to the Department of Education, Training and the Arts for the Cape York Indigenous Arts Program and Premier's Arts Prize, to Queensland Police Service for the Youth Violence Campaign, and to the Department of Local Government, Sport and Recreation for the Rugby League World Cup.
25. An increase in User charges primarily due to additional cash received for Queensland's 150th Celebration's number plates, an increase in event and communication activities, and movements in accounts receivable at year end. The increase is partly offset by lower than anticipated receipts for corporate services provided to other agencies.
26. An increase in Grant and other contributions primarily due to the provision of additional cash for the Reconciliation Awards, Working with Children Check scoping study, Queensland's 150th Celebration's Club 150 memberships, the transfer to the department of the Indigenous Government Coordination unit, the 2007 Australian of the Year Tour of Honour, 2007 Queensland Week, 2007 RiverFestival, 2007 @Work and Play, the Reef Water Quality Protection Plan, and the Council for the Australian Federation Secretariat.
27. An increase in Supplies and services due to additional payments of cash for the Indigenous Government Coordination unit, the Cape York Welfare Reform Initiative, the Working with Children Check scoping study, development of SmartCab (Queensland's new Cabinet Information System), the implementation of the Information and Communication Technology Infrastructure and Network Strategy, Queensland's 150th Celebration's Club 150 membership activities and number plate purchases, the refurbishment of the 100 George Street media room, and an increase in events and communication activities including the Reconciliation Awards, the 2007 Australian of the Year Tour of Honour, the 2007 @Work and Play and Queensland Week. The increase is also attributable to cash received in 2006-07 but spent in 2007-08 for the State Crisis Centre, the Council for the Australian Federation Secretariat, the Aboriginal and Torres Strait Islander Career Pathways program, the electronic Document and Records Management System (eDRMS), the 2007 Asia Pacific Economic Co-operation meetings and the Reef Water Quality Protection Plan as well as movements in accounts payable at year end. The increase is partly offset by the carry forward of cash into 2008-09 for Queensland's 150th Celebration activities in 2009.
28. An increase in Grants and subsidies primarily due to additional cash payments for the Cape York Welfare Reform Initiative and cash carried forward from prior years for the 2004 Boxing Day Tsunami Aid and the Smart State PhD Grants program.
29. An increase in Borrowing costs due to additional interest repayments arising from the unexpected delay in the sale of the old Hawker 800XP Aircraft in August 2007.
30. An increase in Other outflows primarily due to sponsoring the Spirit of the Bush concert, the Asia Pacific Cities Summit, and the Brisbane Institute in 2008, as well as the carry forward of the 2007 RiverFestival sponsorship payment.
31. An increase in Sales of property, plant and equipment inflows resulting from the sale of the old Hawker 800XP Aircraft in August 2007.
32. An increase in Payments for property, plant and equipment and intangibles primarily due to the implementation of the Information and Communication Technology Infrastructure and Network Strategy, the development of State Crisis Centre software applications, and the initial rollout of the electronic Document and Records Management System (eDRMS) across the department.
33. An increase in Equity injections primarily due to cash received for the implementation of the Information and Communication Technology Infrastructure and Network Strategy and the electronic Document and Records Management System (eDRMS).

34. An increase in borrowing redemptions primarily due to the payout of the loan associated with the old Hawker 800XP Aircraft, sold in August 2007.

Major variations between Adjusted 2007-08 Budget and 2008-09 Estimate include:

35. An increase in Output receipts primarily due to additional funding provided for the Cape York Welfare Reform Initiative, the 2008 regional sitting of the Parliament, Queensland's 150th Celebrations in 2009, completion of SmartCab (Queensland's new Cabinet Information System) and the electronic Document and Records Management System (eDRMS), the implementation of the Information and Communication Technology Infrastructure and Network Strategy, Enterprise Bargaining arrangements, the Centre for Queensland Government and the 2010 World Expo in Shanghai, China. The increase is partly offset by the full year effect of machinery-of-Government transfers which occurred in 2007-08.
36. A decrease in User charges due to a reduction in the number of agencies to which the department provides corporate services.
37. An increase in Grants and other contributions primarily due to the receipt of additional cash from other State Government agencies for the Indigenous Government Coordination unit and Queensland's 150th Celebrations in 2009. The increase is partly offset by reduced cash received in relation to @Work and Play and the full year effect of machinery-of-Government transfers which occurred in 2007-08.
38. An increase in Employee costs primarily due to additional costs associated with the Cape York Welfare Reform Initiative, Enterprise Bargaining arrangements, the completion of SmartCab (Queensland's new Cabinet Information System), the implementation of the Information and Communication Technology Infrastructure and Network Strategy and the electronic Document and Records Management System (eDRMS). This increase is offset by the full year effect of machinery-of-Government transfers which occurred in 2007-08 as well as reduced costs associated with corporate services provided to other agencies and @Work and Play.
39. An increase in Supplies and services due to additional cash payments for the Cape York Welfare Reform Initiative, the transfer to the department of the Indigenous Government Coordination unit, the 2008 regional sitting of the Parliament, Queensland's 150th Celebrations in 2009, the Centre for Queensland Government, completion of SmartCab (Queensland's new Cabinet Information System), the implementation of the Information and Communication Technology Infrastructure and Network Strategy and the electronic Document and Records Management System (eDRMS) and 2010 World Expo in Shanghai, China. The increase is partly offset by the full year effect of machinery-of-Government transfers which occurred in 2007-08.
40. An increase in Grants and subsidies primarily due to additional cash payments for the Cape York Welfare Reform Initiative, Queensland's 150th Celebrations in 2009 and the Centre for Queensland Government.
41. An increase in Payments for property, plant and equipment and intangibles primarily due to the implementation of the Information and Communication Technology Infrastructure and Network Strategy, the completion of SmartCab (Queensland's new Cabinet Information System), State Crisis Centre software applications, and the electronic Document and Records Management System (eDRMS) across the department.
42. A decrease in Payments for investments due to the purchase of shares in ZeroGen Pty Ltd in 2007-08. The ZeroGen Pty Ltd shares have now been transferred to the Department of Mines and Energy as a result of a machinery-of-Government transfer.
43. A decrease in Equity injections due to cash provided for the purchase of shares in ZeroGen Pty Ltd being transferred to the Department of Mines and Energy as a result of a machinery-of-Government transfer. The decrease is partly offset by additional cash provided for the implementation of the Information and Communication Technology Infrastructure and Network Strategy, the completion of SmartCab (Queensland's new Cabinet Information System), State Crisis Centre software applications, and the electronic Document and Records Management System across the department.
44. A decrease in Equity withdrawals due to a one-off withdrawal of funds in 2007-08 for the whole-of-Government finance and human resource solutions.

Income Statement

Expenses and Revenues Administered on behalf of the Whole-of-Government

Major variations between 2007-08 Adjusted Budget and 2007-08 Estimated Actual include:

1. An increase in Administered revenue primarily due to additional funding received in relation to South Bank Corporation's Storm Water Harvesting and the expansion of the Brisbane Convention and Exhibition Centre, Queensland Events Corporation's Asia Pacific Screen Awards, the completion of the Fuel Tax Act Review by the proposed Public Service Commission, and the return of committed funding deferred by the Commission for Children and Young People and Child Guardian, the proposed Public Service Commission and Ministerial Offices and Office of the Leader of the Opposition and Office of the Leader of the Liberal Party.
2. An increase in Supplies and services primarily relating to the return of committed funding deferred for Ministerial Offices and Office of the Leader of the Opposition and Office of the Leader of the Liberal Party.
3. An increase in Grants and subsidies due to additional grant funding for South Bank Corporation's Storm Water Harvesting and the expansion of the Brisbane Convention and Exhibition Centre, Queensland Events Corporation's Asia Pacific Screen Awards, the completion of the Fuel Tax Act Review by the proposed Public Service Commission, and the return of committed funding deferred by the Commission for Children and Young People and Child Guardian and the proposed Public Service Commission.

Major variations between 2007-08 Adjusted Budget and 2008-09 Estimate include:

4. An increase in Administered revenue due to additional funding received in relation to South Bank Corporation's Storm Water Harvesting and the expansion of the Brisbane Convention and Exhibition Centre, Queensland Events Corporation's Asia Pacific Screen Awards, the Commission for Children and Young People and Child Guardian's Community Visitor Program and Long Term Office Accommodation Strategy, as well as Enterprise Bargaining arrangements for the Commission for Children and Young People and Child Guardian, Ministerial Offices and Office of the Leader of the Opposition and Office of the Leader of the Liberal Party and the proposed Public Service Commission.
5. An increase in Supplies and services relating to the return of committed funding deferred for Ministerial Offices and Office of the Leader of the Opposition and Office of the Leader of the Liberal Party.
6. An increase in Grants and subsidies primarily due to additional grant funding to be provided to South Bank Corporation for Storm Water Harvesting and the expansion of the Brisbane Convention and Exhibition Centre, Queensland Events Corporation's Asia Pacific Screen Awards, the Commission for Children and Young People and Child Guardian's Community Visitor Program and Long Term Office Accommodation Strategy, as well as Enterprise Bargaining arrangements for the Commission for Children and Young People and Child Guardian and the proposed Public Service Commission.
7. An increase in Other expenses primarily due to Enterprise Bargaining arrangements for Ministerial Offices and Office of the Leader of the Opposition and Office of the Leader of the Liberal Party.

Balance sheet

Assets and Liabilities Administered on behalf of the Whole-of-Government

Major variations between 2007-08 Adjusted Budget and 2007-08 Estimated Actual include:

8. A decrease in Receivables to align with trends in actual balances over previous years.
9. A decrease in Current and Non-Current Payables to align with trends in actual balances over previous years.

Major variations between 2007-08 Adjusted Budget and 2008-09 Estimate include:

10. A decrease in Receivables to align with trends in actual balances over previous years.
11. A decrease in Current and Non-Current Payables to align with trends in actual balances over previous years.

Cash Flow Statement

Cash Flows Administered on behalf of the Whole-of-Government

Major variations between 2007-08 Adjusted Budget and 2007-08 Estimated Actual include:

12. An increase in Administered item receipts primarily due to additional funding received in relation to South Bank Corporation's Storm Water Harvesting and the expansion of the Brisbane Convention and Exhibition Centre, Queensland Events Corporation's Asia Pacific Screen Awards, the completion of the Fuel Tax Act Review by the proposed Public Service Commission, and the return of committed funding deferred by the Commission for Children and Young People and Child Guardian, the proposed Public Service Commission and Ministerial Offices and Office of the Leader of the Opposition and Office of the Leader of the Liberal Party.
13. A decrease in Other inflows reflecting reductions in receivables of an operating nature.
14. An increase in Grants and subsidies primarily due to additional grant funding to be provided to South Bank Corporation for Storm Water Harvesting and the expansion of the Brisbane Convention and Exhibition Centre, Queensland Events Corporation's Asia Pacific Screen Awards, the completion of the Fuel Tax Act Review by the proposed Public Service Commission, and the return of committed funding deferred by the Commission for Children and Young People and Child Guardian and the proposed Public Service Commission.
15. An increase in Supplies and services relating to the return of committed funding deferred for Ministerial Offices and Office of the Leader of the Opposition and Office of the Leader of the Liberal Party.
16. An increase in Payments for property, plant and equipment due to equipment replacement within Ministerial Offices and Office of the Leader of the Opposition and Office of the Leader of the Liberal Party.

Major variations between 2007-08 Adjusted Budget and 2008-09 Estimate include:

17. An increase in Administered item receipts primarily due to additional funding received in relation to South Bank Corporation's Storm Water Harvesting and the expansion of the Brisbane Convention and Exhibition Centre, Queensland Events Corporation's Asia Pacific Screen Awards, the Commission for Children and Young People and Child Guardian's Community Visitor Program and Long Term Office Accommodation Strategy, as well as Enterprise Bargaining arrangements for the Commission for Children and Young People and Child Guardian and the proposed Public Service Commission.

18. An increase Grants and subsidies outflows primarily due to additional grant funding to be provided to South Bank Corporation for Storm Water Harvesting and the expansion of the Brisbane Convention and Exhibition Centre, Queensland Events Corporation's Asia Pacific Screen Awards, the Commission for Children and Young People and Child Guardian's Community Visitor Program and Long Term Office Accommodation Strategy, as well as Enterprise Bargaining arrangements for Commission for Children and Young People and Child Guardian and the proposed Public Service Commission.
19. An increase in Supplies and services relating to the return of committed funding deferred from Ministerial Offices and Office of the Leader of the Opposition and Office of the Leader of the Liberal Party.
20. An increase in Other costs due to Enterprise Bargaining arrangements for Ministerial Offices and Office of the Leader of the Opposition and Office of the Leader of the Liberal Party.

Office of the Governor

Departmental Overview

Strategic Issues

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

The Office of the Governor exists to provide personal, administrative and logistic support to the Governor and to manage the Government House Estate. This support enables the Governor to exercise her or his statutory and constitutional, official and ceremonial, and civic and social duties of office. As a separate entity, the Office of the Governor enables the Governor to provide independent, non-political authority to the parliamentary process.

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

2008-09 Highlights

In 2008-09 the Office of the Governor will continue to support the official and public responsibilities of the Governor. This will include support to both Governor and Governor-Designate during the transition period immediately prior to and following the change of Governor on 29 July 2008.

2007-08 Achievements

During 2007-08, the Office of the Governor:

- Supported the Governor's attendance at meetings of the Executive Council
- With the Governor commissioned a literary project as part of the Office's contribution to the State's sesqui-centenary celebrations in 2009
- Conducted investitures for recipients of Australian honours and awards
- Supported awards ceremonies for the Winston Churchill Memorial Trust; the Order of St John in Australia; the Royal Humane Society of Australasia; St John Ambulance Australia – Queensland; the Scout Association of Australia (Queensland Branch) and Guides Australia (Queensland) and the Boys Brigade Australia (Queensland) and Girls Brigade Queensland Inc.
- Supported a program of engagements at Government House, and in and around Brisbane
- Supported the Governor in her role as Patron of 170 organisations; and Mr Bryce as Patron of seven organisations
- Planned and supported regional travel by the Governor, providing support to rural and regional communities
- Supported the Governor in issuing nearly 2,000 congratulatory letters and similar correspondence
- Received and referred for the Governor's consideration 26 petitions and/or requests for pardon
- Hosted nearly 4,450 visitors to Government House on three open days

- Hosted 30 school and 53 community group visits to Government House
- In partnership with the Department of Public Works (DPW) commissioned audits and plans for long term sustainable water management infrastructure which will ensure self sufficiency for horticultural operations on the Government House estate
- In partnership with DPW commenced audits and plans to provide equitable access to Government House.

Departmental Outputs

The *Constitution (Office of Governor) Act 1987* (the Act) provides that there shall be a Governor in and over the State. The Act also provides that the Governor is authorised and required to do and execute all things that belong to his or her office according to the laws that are now or shall hereafter be in force in the State.

The personal, administrative and logistic support provided by the Office of the Governor enables the Governor to exercise his or her constitutional powers and responsibilities effectively and undertake official, ceremonial and civic duties. As a separate entity, the Office of the Governor enables the Governor to remain at arms-length from the political process. The Office of the Governor also maintains the Government House Estate.

By assisting the Governor to exercise his or her constitutional powers and responsibilities and undertake other duties as Head of State, the Office of the Governor directly supports the Government's outcomes and priorities for Queensland.

Staffing¹

Output	Notes	2007-08 Budget	2007-08 Est. Actual	2008-09 Estimate
Outputs				
Personal, administrative and logistic support to the Governor and management of the Government House Estate		35.4	34	34
Total		35.4	34	34

Note:

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

Departmental Statements

Performance Statement

Measures	Notes	2007-08 Target/Est.	2007-08 Est. Actual	2008-09 Target/Est.
Output name: Personal, administrative and logistic support to the Governor and management of the Government House Estate				
Number of:				
Meetings of Executive Council		50	49	50
Visits to Queensland regional centres		30	29	29
Honours and awards ceremonies		24	24	24
Patronage commitments		165	208	200
Civic and community activities		350	565	500
Speeches, messages and media releases		350	340	300
Congratulatory messages		2,000	2,000	2,000
Percentage of works projects accord with Government House Conservation Plan		90%	90%	90%
Percentage of grounds maintained to agreed specifications		90%	90%	90%
Percentage that the working and accommodation environment is safe and secure	1	100%	100%	100%
Percentage that Governor fulfils statutory requirements		100%	100%	100%
Percentage of works projects completed on time and within budget		100%	80%	100%
Percentage of correspondence and requests responded to within 10 days		100%	100%	100%
State contribution (\$000)		4,443	4,613	4,934
Other revenue (\$000)		..	..	..
Total cost (\$000)		4,443	4,613	4,934

Note:

1. This measure has been reworded so that the intent of the measure is clearer.

Income Statement

Office of the Governor	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
Income				
Output revenue	1,3	4,443	4,613	4,934
User charges		..	..	..
Grants and other contributions		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		4,443	4,613	4,934
Expenses				
Employee expenses	4	2,990	3,005	3,199
Supplies and services	2,5	1,389	1,544	1,671
Grants and subsidies		..	..	..
Depreciation and amortisation		35	35	35
Finance/borrowing costs		..	..	..
Other expenses		29	29	29
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		4,443	4,613	4,934
OPERATING SURPLUS/(DEFICIT)		..	..	..

Statement of Changes in Equity

Office of the Governor	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
Net effect of the changes in accounting policies and prior year adjustments	
Increase/(decrease) in asset revaluation reserve		46	27	25
Net amount of all revenue and expense adjustments direct to equity not disclosed above	
Net income recognised directly in equity		46	27	25
Surplus/(deficit) for the period	
Total recognised income and expense for the period		46	27	25
Equity injection/(withdrawal)	
Equity adjustments (MoG transfers)	
Total movement in equity for period		46	27	25

Balance Sheet

Office of the Governor	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
CURRENT ASSETS	6,8			
Cash assets		388	533	533
Receivables		18	29	29
Other financial assets		..	..	..
Inventories		27	28	28
Other		5	6	6
Non-financial assets held for sale		..	..	..
Total current assets		438	596	596
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		1,199	1,134	1,159
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		1,199	1,134	1,159
TOTAL ASSETS		1,637	1,730	1,755
CURRENT LIABILITIES	7,9			
Payables		218	341	341
Employee benefit obligations		193	198	198
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		411	539	539
NON-CURRENT LIABILITIES				
Payables		..	..	..
Employee benefits obligations		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	..	..
TOTAL LIABILITIES		411	539	539
NET ASSETS/(LIABILITIES)		1,226	1,191	1,216
EQUITY				
Capital/contributed equity		765	765	765
Retained surplus/(accumulated deficit)		(171)	(143)	(143)
Reserves:				
- Asset revaluation reserve		632	569	594
- Other (specify)		..	..	..
TOTAL EQUITY		1,226	1,191	1,216

Cash Flow Statement

Office of the Governor	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Output receipts	10,13	4,443	4,613	4,934
User charges		..	..	..
Grants and other contributions		..	..	..
Other		..	..	..
Outflows:				
Employee costs	11,14	(2,990)	(3,005)	(3,199)
Supplies and services	12,15	(1,389)	(1,544)	(1,671)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(29)	(29)	(29)
Net cash provided by/(used in) operating activities		35	35	35
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		(35)	(35)	(35)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		(35)	(35)	(35)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		..	..	..
Net increase/(decrease) in cash held		..	..	..
Cash at the beginning of financial year		388	533	533
Cash transfers from restructure		..	..	..
Cash at the end of financial year		388	533	533

Explanation of Variances in the Financial Statements

Income Statement

Major variations between 2007-08 Budget and 2007-08 Estimated Actual include:

1. An increase in Output revenue due to the deferrals being carried forward from 2006-07.
2. An increase in Supplies and services due to increased funding as outlined in Note 1 above.

Major variations between 2007-08 Budget and 2008-09 Estimate include:

3. Increase in Output revenue due primarily to Enterprise Bargaining arrangements, increasing costs of purchasing non-discretionary goods and services, costs associated with maintaining the Government House Estate gardens and grounds under drought conditions and water restrictions and additional funding for the Queensland sesqui-centenary celebrations project.
4. An increase in Employee expenses primarily due to Enterprise Bargaining arrangements.
5. An increase in Supplies and services due to increasing costs of contracting services, costs associated with maintaining the Government House Estate gardens and grounds under drought conditions and water restrictions, and costs associated with the Queensland sesqui-centenary celebrations project.

Balance Sheet

Major variations between 2007-08 Budget and 2007-08 Estimated Actual include:

6. An increase in Cash Assets due to an increase in Payables and more effective use of Creditor payment terms.
7. An increase in Payables primarily due to the more effective use of Creditor payment terms.

Major variations between 2007-08 Budget and 2008-09 Estimate include:

8. An increase in Cash Assets due to an increase in Payables and more effective use of Creditor payment terms.
9. An increase in Payables primarily due to the more effective use of Creditor payment terms.

Cash Flow Statement

Major variations between 2007-08 Budget and 2007-08 Estimated Actual include:

10. An increase in Output receipts due to the return of funding carried forward from 2006-07.
11. An increase in Employee costs due to increased funding as outlined in Note 1 above.
12. An increase in Supplies and services due to increased funding as outlined in Note 1 above.

Major variations between 2007-08 Budget and 2008-09 Estimate include:

13. Increase in Output revenue due primarily to Enterprise Bargaining arrangements, increasing costs of purchasing non-discretionary goods and services, costs associated with maintaining the Government House Estate gardens and grounds under drought conditions and water restrictions and additional funding for Queensland sesqui-centenary celebrations project.
14. An increase in Employee costs primarily due to Enterprise Bargaining arrangements.
15. An increase in Supplies and services due to increasing costs of contracting services, costs associated with maintaining the Government House Estate gardens and grounds under drought conditions and water restrictions, and costs associated with the Queensland sesqui-centenary celebrations project.

Public Service Commission (Proposed)

Departmental Overview

Strategic Issues

On 12 March 2008 the Premier announced in Parliament the amalgamation of the Office of the Public Service Commissioner and the Service Delivery and Performance Commission into a single organisation responsible for driving the modernisation of the Queensland public service. The Public Service Bill 2008 to establish the Public Service Commission was introduced into Parliament in May 2008 and was expected to be debated in June. Subject to passage of the Bill and assent to the legislation by the Governor, the proposed Public Service Commission was expected to commence operations on 1 July 2008.

The proposed Public Service Commission would contribute to the Government's priority of *Modernising the Federation and Delivering Accountable Government* – through delivering an open, proactive and accountable public service which is focussed on improving service provision.

The creation of the Public Service Commission is one part of a program of a substantial program of reform for the Queensland public service. The Queensland Government will build on established frameworks to drive forward a harder-hitting agenda of change to ensure that our workforce can meet the existing and emerging priorities of the Government.

The proposed Public Service Commission will have two main functions:

- to enhance public service human resource management and development; and
- deliver focussed program reviews in support of the Government's efficiency agenda.

The Queensland Government recognises that organisational performance management is closely linked to the effective management and development of people. The proposed Public Service Commission will bring these elements together to achieve a single focus on performance management and human resource management across the Queensland Government.

The organisation will drive outcomes rather than support approaches that are rules-based or process-driven. It will move away from a rigid, prescriptive approach to human resource and workforce management one that is modern, flexible and promotes the positive behaviour it is trying to cultivate. The proposed new legislation will provide leverage for an agenda of change to ensure the public service workforce is able to meet the existing and emerging priorities of government.

For economy and efficiency, funding for the Office of the Integrity Commissioner is included within the appropriation for the proposed Public Service Commission.

2008-09 Highlights

Proposed Public Service Commission

- The work program of the proposed Public Service Commission will be determined by a Board of Commissioners who will have an ongoing role in promoting and driving the modernisation of the Queensland public service.
- This broad program of activity will be aimed at delivering a more efficient and effective Queensland public service by:
 - enhancing the Queensland public service's human resource management and development functions;
 - driving new approaches to recruitment and retention;
 - defining workforce challenges and opportunities;
 - establishing a Chief Executive Service with a focus on performance management and whole-of-Government responsibilities;
 - improving the management of the Senior Executive Service as a Queensland Government corporate resource; and
 - enhancing succession planning and our capacity to align resources behind government priorities.
- The proposed Public Service Commission will build capacity to respond to challenges with a public service that is adaptable to change, agile and flexible
- Deliver focussed program reviews to increase efficiency and reducing expenditure by:
 - increasing the effectiveness of review mechanisms; and
 - a more intense analysis of areas of government business and through openly challenging the *status quo*.

Office of the Integrity Commissioner

The Office of the Integrity Commissioner will continue to:

- Provide timely advice on conflict of interest issues
- Give advice to the Premier, at her request, on issues concerning ethics and integrity
- Expand the material available on the Integrity Commissioner's website
- Meet with the Auditor-General of Queensland, Chairperson of the Crime and Misconduct Commissioner, the Ombudsman, the Information Commissioner and the Chief Executive Officer of the proposed Public Service Commission to discuss matters of common interest
- Provide lectures and papers to increase awareness of issues pertaining to public discussion of the policy and practice of the Office.

2007-08 Achievements

Service Delivery and Performance Commission

- The Commission tabled 14 major reviews in the Legislative Assembly, which highlighted areas for significant performance management and service delivery improvements across Government. These 14 reports bring the total number of reports published by the Commission since its inception to 19. The 14 reports are as follows:
 - Review of Purchasing and Logistics in the Queensland Government which will help to improve whole-of-Government procurement skills and supply chain and inventory management;
 - Review of the Shared Service Initiative, which sets out a new governance model and supporting recommendations to achieve improved efficiency and effectiveness;

- Review of QFleet, which seeks to strengthen QFleet's role and will result in significant financial benefits as a result of introducing a number of strategic procurement strategies;
- Review of GoPrint, which will strategically position the Queensland Government to adapt to a changing market place and an increasing uptake of technologies relevant to the printing industry;
- *Priorities in Progress Report 2006–07* provides a high level analysis of the progress towards achieving outcomes in the community using performance indicators;
- Review of the South Bank Corporation provides a high level strategic analysis of governance and reporting arrangements for this organisation;
- *Report on Strengthening Performance Management in the Queensland Government* will assist the take up of performance management at the whole-of-Government level;
- *Annual Report on Service Delivery and Performance in the Queensland Government* highlights the key themes stemming from the SDPC reviews in the work program for the period ending 30 June 2007;
- Service Delivery and Performance Management Reviews of:
 - o the Department of Communities, Disability Services Queensland and Aboriginal and Torres Strait Islander Policy;
 - o the Department of Local Government, Planning, Sport and Recreation;
 - o the Department of Tourism, Fair Trading and Wine Industry Development;
 - o the Department of Housing;
 - o the Office of the Public Service Commissioner; and
 - o the Department of the Premier and Cabinet.
- The Commission will also complete seven additional reports by 30 June 2008, which will be tabled in Parliament during 2008. They are the:
 - Report on Review of Regulatory Reform (Phase 2) - *Property Agents and Motor Dealers Act 2000*;
 - Review of Fuel Tax Subsidies/Rebates;
 - Review of the Roles and Responsibilities of Queensland Government Agencies in the Administration of Workplace Health and Safety Regulation;
 - Service Delivery and Performance Management Reviews of:
 - o Queensland Transport;
 - o Queensland Police Service;
 - o the Department of Main Roads including RoadTek; and
 - o the Department of Employment and Industrial Relations.

Office of the Public Service Commissioner

- Developed a Service Delivery Vision for the Queensland public service
- Developed a ten year Workforce Sustainability Strategy to guide public service managers
- Introduced a new *Public Service Regulation 2007*
- Reviewed the Grievance Directive and issued guidelines to agencies
- Developed guidelines to assist agencies in the administration of the discipline provisions of the *Public Service Act 1996*
- Assisted agencies to adopt more proactive workforce management using evidence-based decision-making
- Conducted pilot schemes to demonstrate innovative staff attraction and retention practices, with a particular focus on older workers
- Streamlined the Senior Executive Service selection process
- Completed the first whole of government graduate program

- Continued to develop an extranet located on GovNet for public service agencies to access information and provide input for Office of the Public Service Commissioner projects and directive changes.

Office of the Integrity Commissioner

- Continued to provide timely advice on conflict of interest issues
- Continued to give advice to the Premier, at her request, on issues concerning ethics and integrity
- Continued to expand the material available on the Integrity Commissioner's website
- Continued to provide lectures and papers to increase awareness of issues pertaining to public discussion of the policy and practice of the Office
- Continued to meet with the Public Service Commissioner, Auditor-General of Queensland, Chairperson of the Crime and Misconduct Commissioner, the Ombudsman, and the Information Commissioner to discuss matters of common interest
- Continued to contribute to the broader discussion and understanding of public sector ethics issues through presentations to the Queensland Public Sector Ethics Network
- Continued to work with the Office of the Public Service Commissioner to raise awareness and standards of public sector ethics
- Introduced an electronic records management system for the Office
- Received approval for the implementation of a Retention and Disposal Schedule for records held within the Office of the Integrity Commissioner.

Departmental Outputs

During 2007-08 the Premier announced that the Service Delivery and Performance Commission and the Office of the Public Service Commissioner would be amalgamated to form the proposed Public Service Commission, effective from 1 July 2008.

This output includes services from the

- proposed Public Service Commission which will be responsible for overseeing the management of the public service's human resources including staff development and improve public sector performance, service delivery and accountability
- Office of the Integrity Commissioner in which the Integrity Commissioner, as an independent statutory office holder appointed by the Governor in Council under the *Public Sector Ethics Act 1994*, assists the Premier, Ministers and other designated persons to avoid conflicts of interest so as to encourage confidence in public institutions.

As previously advised, for reasons of economy and efficiency, funding for the Office of the Integrity Commissioner is included within the appropriation for the proposed Public Service Commission.

Staffing¹

Output	Notes	2007-08 Budget	2007-08 Est. Actual	2008-09 Estimate
Outputs				
Administration of the Public Service and the Management and Employment of Public Service Employees	2, 3, 4	86.8	78	Output discontinued
Services to Improve Public Sector Performance	4	17.0	17	Output discontinued
Provision of services for a high performing modern public service	5	..	..	95
Total		103.8	95	95

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Figures include up to 25 participants in the whole-of-Government Graduate Program. Participants are employed by the Office of the Public Service Commissioner pending placement in departments at the completion of the program.
3. Reduction in 2007-08 Est Actual due to whole-of-Government Graduate Program participants moving to employment outside the Graduate Program.
4. These Outputs are amalgamating to form the new output titled *Provision of services for a high performing modern public service* of the proposed Public Service Commission.
5. This staffing requirement for the proposed Public Service Commission is expected to decrease during the year.

Departmental Statements

Performance Statement

Measures	Notes	2007-08 Target/Est.	2007-08 Est. Actual	2008-09 Target/Est.
Output name: Provision of services for a high performing modern public service¹				
Number of review projects completed	2, 3	8	13	Discontinued
Percentage of departments which have undergone a service delivery and performance management review	2, 4	41%	43%	Discontinued
Percentage completed of annual work plan agreed by the Minister	2, 5	90%	100%	Discontinued
Number of program reviews completed	6	New measure	New measure	4
Number of appeals finalised	7	240	245	240
Number of Directives reviewed and issued by the Public Service Commissioner	8	3	7	Discontinued
Number of Directives reviewed	6	New measure	New measure	15
Number of Public Sector Management Program graduates	7, 9	80	88	66
Stakeholder satisfaction with review process	2, 10	85%	57%	Discontinued
Stakeholder satisfaction with report quality	2, 10	85%	86%	Discontinued
Percentage of participants satisfied with information forums and training seminars	2, 11	85%	79%	Discontinued
Stakeholder satisfaction with program review process	6	New measure	New measure	85%
Stakeholder satisfaction with report quality on program reviews	6	New measure	New measure	85%
Percentage of HR Directors who consider OPSC support services good or very good	8, 12	90%	40%	Discontinued
Percentage of departments who consider advice relevant and timely	6	New measure	New measure	85%
Percentage of reports presented to the Minister within agreed timeframes	2, 3	90%	100%	NA
Percentage of reports on program reviews presented to the Premier within agreed timeframes	6	New measure	New measure	90%

Measures	Notes	2007-08 Target/Est.	2007-08 Est. Actual	2008-09 Target/Est.
Percentage of appeals finalised within specific timeframes	7	75%	81%	75%
Percentage of OPSC correspondence answered within specified timeframes	8, 13	95%	71%	Discontinued
Percentage of targeted savings identified	2, 14	100%	100%	NA
State contribution (\$000)		10,493	11,893	8,810
Other revenue (\$000)		5,425	6,945	4,765
Total cost (\$000)		15,918	18,838	13,575

Notes:

1. The proposed Public Service Commission, effective from 1 July 2008, is a result of the amalgamation of the Service Delivery and Performance Commission (SDPC) and the Office of the Public Service Commissioner (OPSC).
2. This measure was formerly reported as part of the Services to Improve Public Sector Performance output of the SDPC and has now been discontinued.
3. The SDPC considered a review 'completed' when the review report was presented to the SDPC Chairman.
4. As at 31 March 2008, of the 23 departments established under machinery-of-Government arrangements in September 2007, 10 had been subject to 'completed' service delivery and performance management reviews by the SDPC.
5. The work program for 2007-08 was amended with the approval of the Premier to defer the review of the Department of Emergency Services to a later work program. All other scheduled reviews for 2007-08 are expected to be completed by 30 June 2008.
6. This new measure relates to the work of the proposed Public Service Commission.
7. This measure was formerly reported as part of the Administration of the Public Service and the Management and Employment of Public Service Employees output of the OPSC and will continue.
8. This measure was formerly reported as part of the Administration of the Public Service and the Management and Employment of Public Service Employees output of the OPSC and has now been discontinued.
9. The number of participants graduating in 2008-09 is reduced due to lower than expected registrations.
10. Stakeholder satisfaction data is collected by an independent contractor using a survey tool developed by the SDPC. The Estimated Actuals reported for 2007-08 are interim and relate to two stakeholder surveys undertaken in relation to the Report on the Review of Shared Services Initiative and the Report on Review of Purchasing and Logistics in the Queensland Government. Additional stakeholder satisfaction surveys, being conducted between May and June 2008, are expected to result in higher overall levels of satisfaction for the 2007-08 period than reported using the initial two surveys.
11. The 2007-08 Estimated Actual has been derived from the aggregated satisfaction (relevance) scores achieved for three forums/seminars conducted in November 2007, February 2008 and March 2008. The satisfaction levels for the individual activities were 95%, 65% and 84% respectively. The low result for the February 2008 seminar and the improved result for the March 2008 seminar reflect increased participant awareness of a change in the format to the seminar series that took effect in February 2008.
12. 100% of survey respondents rated the OPSC as average, good or very good.
13. The limitation of the current system in accurately recording data are being addressed through the introduction of the new correspondence tracking system.
14. The efficiency savings target for 2007-08, as set out in the Explanatory Notes of the Service Delivery and Performance Commission Bill 2005, is \$20 million. The total savings target for the period up to and including 2010-11 (based on the original lifespan of the Commission) was \$100 million. The 2007-08 target estimate is a percentage of the total savings target.

Income Statement

Public Service Commission (Proposed)	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
Income				
Output revenue	1, 8	10,493	11,893	8,810
User charges	2, 9	95	1,125	799
Grants and other contributions	3, 10	5,330	5,743	3,760
Other revenue	4, 11	..	77	206
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		15,918	18,838	13,575
Expenses				
Employee expenses	5, 12	12,411	14,046	9,526
Supplies and services	6, 13	3,489	4,703	3,964
Grants and subsidies	7, 14	2	72	73
Depreciation and amortisation		16	17	12
Finance/borrowing costs		..	..	..
Other expenses		..	..	..
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		15,918	18,838	13,575
OPERATING SURPLUS/(DEFICIT)		..	..	..

Statement of Changes in Equity

Public Service Commission (Proposed)	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
Net effect of the changes in accounting policies and prior year adjustments	
Increase/(decrease) in asset revaluation reserve	
Net amount of all revenue and expense adjustments direct to equity not disclosed above	
Net income recognised directly in equity	
Surplus/(deficit) for the period	
Total recognised income and expense for the period	
Equity injection/(withdrawal)		..	174	..
Equity adjustments (MoG transfers)		..	11	..
Total movement in equity for period		..	185	..

Balance Sheet

Public Service Commission (Proposed)	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
CURRENT ASSETS				
Cash assets	15, 18	2,292	2,394	2,396
Receivables	15, 18	370	586	586
Other financial assets		..	..	..
Inventories		..	..	..
Other		126	126	126
Non-financial assets held for sale		..	..	..
Total current assets		2,788	3,106	3,108
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		38	49	47
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		38	49	47
TOTAL ASSETS		2,826	3,155	3,155
CURRENT LIABILITIES				
Payables	15, 16, 18, 19	2,186	2,101	2,101
Employee benefit obligations	15, 17, 18, 20	498	778	778
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		2,684	2,879	2,879
NON-CURRENT LIABILITIES				
Payables		..	..	..
Employee benefits obligations	17, 20	140	240	240
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		140	240	240
TOTAL LIABILITIES		2,824	3,119	3,119
NET ASSETS/(LIABILITIES)		2	36	36
EQUITY				
Capital/contributed equity	15, 18	48	54	54
Retained surplus/(accumulated deficit)	15, 18	(46)	(18)	(18)
Reserves:				
- Asset revaluation reserve		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		2	36	36

Cash Flow Statement

Public Service Commission (Proposed)	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Output receipts	21, 30	10,493	12,133	8,810
User charges	22, 31	95	909	799
Grants and other contributions	23, 32	5,330	4,848	3,760
Other	24, 33	..	25	206
Outflows:				
Employee costs	25, 34	(12,411)	(14,509)	(9,526)
Supplies and services	26, 35	(3,489)	(3,592)	(3,964)
Grants and subsidies	27, 36	(2)	(72)	(73)
Borrowing costs		..	..	..
Other		..	..	..
Net cash provided by/(used in) operating activities		16	(258)	12
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		(14)	(15)	(10)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		(14)	(15)	(10)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	28	..	(85)	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	28	..	259	..
Net cash provided by/(used in) financing activities		..	174	..
Net increase/(decrease) in cash held		2	(99)	2
Cash at the beginning of financial year		2,290	2,515	2,394
Cash transfers from restructure	29	..	(22)	..
Cash at the end of financial year		2,292	2,394	2,396

Explanation of Variances in the Financial Statements

Income Statement

Major variations between 2007-08 Budget and 2007-08 Estimated Actual include:

1. An increase in Output revenue primarily due to new funding for the Fuel Tax Act Review, funding carried forward for initiatives including the Workforce Sustainability Strategy and Service Delivery Vision, Public Sector Training Program, Experience Pays Awareness Strategy and the Graduate Policy Development Program. This is partly offset by the Administrative Transfer of responsibility for several Directives and the Job Evaluation Management System function to the Department of Employment and Industrial Relations.
2. An increase in User charges due to the inclusion of transactions related to the Public Sector Management Program.
3. An increase in Grants and other contributions primarily due to revenue received to administer the whole-of-Government participation in the Australia and New Zealand School of Government program and changes in revenue received to administer the Graduate Policy Development Program.
4. An increase in Other revenue primarily due to the inclusion of transactions related to the Public Sector Management Program.
5. An increase in Employee expenses primarily due to initiatives including the Workforce Sustainability Strategy and Service Delivery Vision, administering the whole-of-Government participation in the Australia and New Zealand School of Government program and the Graduate Policy Development Program and the inclusion of transactions related to the Public Sector Management Program. This is partly offset by the Administrative Transfer of responsibility for several Directives and the Job Evaluation Management System function to the Department of Employment and Industrial Relations.
6. An increase in Supplies and services primarily due to the Fuel Tax Act Review, initiatives including the Public Sector Training Program and Experience Pays Awareness Strategy, administering the Graduate Policy Development Program and the inclusion of transactions related to the Public Sector Management Program. This is partly offset by the Administrative Transfer of responsibility for several Directives and the Job Evaluation Management System function to the Department of Employment and Industrial Relations.
7. An increase in Grants and subsidies primarily due to funding carried forward for the Graduate Policy Development Program.

Major variations between 2007-08 Budget and 2008-09 Estimate include:

8. A decrease in Output revenue primarily due to efficiency gains from Public Sector Reform initiatives and the Administrative Transfer of responsibility for several Directives and the Job Evaluation Management System function to the Department of Employment and Industrial Relations. This is partly offset by Enterprise Bargaining arrangements.
9. An increase in User charges primarily due to the inclusion of transactions related to the Public Sector Management Program.
10. A decrease in Grants and other contributions primarily due to the cessation of revenue for the Strategic Policy Program. This is partly offset by revenue received to administer the whole-of-Government participation in the Australia and New Zealand School of Government programs and changes in revenue received to administer the Graduate Policy Development Program.
11. An increase in Other revenue primarily due to revenue received for the administration of the whole-of-Government participation in the Lominger program and the inclusion of transactions related to the Public Sector Management Program.
12. A decrease in Employee expenses primarily due to efficiency gains from Public Sector Reform initiatives, the cessation of the Strategic Policy Program and the Administrative Transfer of responsibility for several Directives the Job Evaluation Management System function to the Department of Employment and Industrial Relations. This is partly offset by Enterprise Bargaining arrangements, administering the Graduate Policy Development Program and the inclusion of transactions related to the Public Sector Management Program.
13. An increase in Supplies and services primarily due to administering the whole-of-Government participation in the Australia and New Zealand School of Government program and the Graduate Policy Development Program and the inclusion of transactions related to the Public Sector Management Program. This is partly offset by the Administrative Transfer of responsibility for several Directives and the Job Evaluation Management System function to the Department of Employment and Industrial Relations.
14. An increase in Grants and subsidies primarily due to costs carried forward for the Graduate Policy Development Program.

Balance Sheet

Major variations between 2007-08 Budget and 2007-08 Estimated Actual include:

15. An increase in Balance Sheet items primarily due to the inclusion of transactions related to the Public Sector Management Program.
16. A decrease in Payables based on trend in actual balances over previous years. This is partly offset by Note 15.
17. An increase in current and non-current Employee benefit obligations due to enhanced activities across the proposed Commission.

Major variations between 2007-08 Budget and 2008-09 Estimate include:

18. An increase in Balance Sheet items primarily due to the inclusion of transactions related to the Public Sector Management Program.
19. A decrease in Payables based on trend in actual balances over previous years. This is partly offset by Note 18.
20. An increase in current and non-current Employee benefit obligations due to enhanced activities across the proposed Commission.

Cash Flow Statement

Major variations between 2007-08 Budget and 2007-08 Estimated Actual include:

21. An increase in Output receipts primarily due to the Fuel Tax Act Review, funding carried forward for initiatives including the Workforce Sustainability Strategy and Service Delivery Vision, Public Sector Training Program, Experience Pays Awareness Strategy and the Graduate Policy Development Program. This is partly offset by the Administrative Transfer of

responsibility for several Directives and the Job Evaluation Management System function to the Department of Employment and Industrial Relations.

22. An increase in User charges due to the inclusion of transactions related to the Public Sector Management Program.
23. A decrease in Grants and other contributions primarily due to the whole-of-Government participation in the Australia and New Zealand School of Government program and changes in funds received to administer the Graduate Policy Development Program, offset by movements in accounts receivable at year end.
24. An increase in Other receipts primarily due to the inclusion of transactions related to the Public Sector Management Program.
25. An increase in Employee costs primarily due to initiatives including the Workforce Sustainability Strategy and Service Delivery Vision, administering the whole-of-Government participation in the Australia and New Zealand School of Government program and the Graduate Policy Development Program and the inclusion of transactions related to the Public Sector Management Program. This is partly offset by the Administrative Transfer of responsibility for several Directives and the Job Evaluation Management System function to the Department of Employment and Industrial Relations.
26. An increase in Supplies and services primarily due to the Fuel Tax Act Review, initiatives including the Public Sector Training Program and Experience Pays Awareness Strategy, administering the Graduate Policy Development Program and the inclusion of transactions related to the Public Sector Management Program. This is partly offset by the Administrative Transfer of responsibility for several Directives and the Job Evaluation Management System function to the Department of Employment and Industrial Relations.
27. An increase in Grants and subsidies primarily due to funding carried forward for the Graduate Policy Development Program.
28. Movements in Financing Activities due to the inclusion of transactions relating to the Public Sector Management Program.
29. A decrease in Cash transfers from restructure due to the Administrative Transfer of responsibility for several Directives and the Job Evaluation Management System function to the Department of Employment and Industrial Relations.

Major variations between 2007-08 Budget and 2008-09 Estimate include:

30. A decrease in Output receipts primarily due to efficiency gains from Public Sector Reform initiatives and the Administrative Transfer of responsibility for several Directives and the Job Evaluation Management System function to the Department of Employment and Industrial Relations. This is partly offset by Enterprise Bargaining arrangements.
31. An increase in User charges primarily due to the inclusion of transactions related to the Public Sector Management Program.
32. A decrease in Grants and other contributions primarily due to the cessation of funding for the Strategic Policy Program. This is partly offset by increased funding associated with the whole-of-Government participation in the Australia and New Zealand School of Government program and changes in funding received to administer the Graduate Policy Development Program.
33. An increase in Other receipts primarily due to funds received for the administration of the whole-of-Government participation in the Lominger program and the inclusion of transactions related to the Public Sector Management Program.
34. A decrease in Employee costs primarily due to efficiency gains from Public Sector Reform initiatives, the cessation of the Strategic Policy Program and Administrative Transfer of responsibility for several Directives and the Job Evaluation Management System function to the Department of Employment and Industrial Relations. This is partly offset by Enterprise Bargaining arrangements, administering the Graduate Policy Development Program and the inclusion of transactions related to the Public Sector Management Program.
35. An increase in Supplies and services primarily due to administering the whole-of-Government participation in the Australia and New Zealand School of Government program and Graduate Policy Development Program and the inclusion of transactions related to the Public Sector Management Program. This is partly offset by the Administrative Transfer of responsibility for several Directives and the Job Evaluation Management System function to the Department of Employment and Industrial Relations.
36. An increase in Grants and subsidies primarily due to costs carried forward for the Graduate Policy Development Program.

Queensland Audit Office

Departmental Overview

Strategic Issues

The Auditor-General has a statutory responsibility to audit the public accounts and all public sector entities as defined in the *Financial Administration and Audit Act 1977* and to report to the Parliament, auditees and relevant Ministers. The Auditor-General also has the discretion to perform an audit of a public sector entity's performance management systems. The audits culminate with the Auditor-General reporting to Parliament and providing independent audit opinions on the financial statements of public sector entities. The Auditor-General reports on compliance with prescribed requirements, the truth and fairness of a wide range of general, and special purpose financial statements, provides audit certificates to the Commonwealth in respect of Commonwealth funding and makes recommendations for system and other operational improvements in public administration for the benefit of Parliament and the public.

Whilst Parliament is the Auditor-General's primary client, the Auditor-General has responsibility for the audit of 497 clients consisting of departments, statutory bodies, government owned corporations, local governments and Indigenous councils. These clients in combination with their controlled entities result in 841 financial and compliance audits, as at 31 March 2008, being performed by the Queensland Audit Office. The Queensland Audit Office (QAO) is an independent statutory office established to assist the Auditor-General in the discharge of the Auditor-General's duties and obligations. With the amalgamation of the local governments, it is expected that the number of clients will reduce to 393 during 2008-09.

The Auditor-General of Queensland is required by section 97(1) of the *Financial Administration and Audit Act 1977* to prepare a Report to the Legislative Assembly setting out the general standards to be applied to audits conducted by QAO and by QAO's contract auditors, and indicating the extent to which the Standards are in accordance with Australian Auditing Standards issued by the relevant professional bodies.

The Auditor-General's Auditing Standards were tabled in Parliament in April 2007. These Standards govern the way in which audits are conducted and provide assurance to the Parliament that audits are being carried out in an independent, ethical and professional manner.

The vision of QAO is achieving best practice in public sector accountability.

The strategic challenges facing QAO for 2008-09 significantly impacting on QAO's annual work plan include:

- issues relating to the amalgamation of local governments during the 2008-09 financial year; and
- the changes to financial reporting deadlines requiring financial statements of departments, government owned corporations and statutory bodies to be completed and audited by 31 August which is generally one month earlier than in previous years.

2008-09 Highlights

QAO will continue to assist and encourage all public sector entities to maintain a strong focus on accountability and governance principles including the timely finalisation of financial reporting requirements.

This year, particular attention will be paid to new regional councils following the local government amalgamation process to ensure that necessary accountability systems are implemented. QAO will also be assessing the impact of the changes to legislated financial reporting timeframes for departments and statutory bodies on auditees and on QAO audit processes and resourcing.

An updated version of QAO's audit methodology software developed inhouse will be implemented.

2007-08 Achievements

During 2007-08 QAO:

- Completed all audits for the 2006-07 audit year where statutory requirements were observed by auditees, including the *Whole-of-Government Financial Statements*
- Completed ten Auditor-General's Reports to Parliament
- Conducted and reported on the performance management systems audits of:
 - the relevance and appropriateness of performance measures at four departments;
 - risk management strategies and processes at 23 budget sector agencies;
 - systems in place to identify and address existing and emerging skills in Queensland at three departments;
 - systems to report on progress towards achieving a short term water balance;
 - accountability provided through annual reporting; and
 - systems to manage rural fire services in Queensland.
- Identified and reported to Parliament on issues with sector-wide implications including:
 - infrastructure project evaluation;
 - the shared service initiative;
 - Information and Communication Technology (ICT) project governance;
 - fraud control framework;
 - corporate card usage;
 - governance of public sector companies; and
 - impairment of assets.
- Identified and reported to Parliament on emerging issues including:
 - recovery from Cyclone Larry;
 - systems supporting the Queensland Disaster Management System;
 - progress of the local government reform;
 - progress of the South East Queensland water reform;
 - results of the sale of energy retail companies;
 - contraventions of the *Corporations Act 2001*; and
 - impact of the introduction of the international financial reporting standards on dividend payment arrangements for Government owned corporations.
- Provided briefings to the Public Accounts Committee on Reports to Parliament and briefed members of the Committee on QAO activities and the audit program being undertaken

- Provided briefings to Ministers whose portfolio responsibilities changed during the year and provided briefings to Ministers on issues relevant to their portfolio
- Participated in public hearings held by the Public Accounts Committee in relation to their review of Auditor-General Reports, specifically:
 - Auditor-General Report 1 for 2006 - Results of Local Government Audits for 2004-05 - Local Government Investment Credit Risk (July 2007);
 - Auditor-General Report 4 for 2007 – Are departmental output performance measures relevant, appropriate and a fair representation of performance achievements (February 2008);
 - Auditor-General Report 5 for 2007 - Results of Audits as at 31 May 2007 – Governance of public sector companies (April 2008); and
 - Auditor-General Report 7 for 2007 – Addressing Skills Shortages in Queensland (April 2008).
- Continued to brief and discuss with the Public Accounts Committee the recommendations of the Strategic Review of QAO and progress in responding to the recommendations
- Undertook significant work with relevant agencies on ensuring sound accountability and governance frameworks for the shared corporate services arrangements
- Prepared submissions in relation to:
 - Australian Accounting Standards Board (AASB) exposure drafts;
 - Auditing Standards Board Exposure Drafts;
 - topical audit issues to the Australasian Council of Auditors-General;
 - central agency policy documents; and
 - various accounting issues to other state and federal government organisations.
- Provided updates to clients on accounting and auditing issues including:
 - earlier financial statement deadlines and the implications for auditees;
 - sector wide reviews (ICT project governance, infrastructure project evaluation and corporate card review) and their implications for auditees;
 - implications of the local government reform process;
 - accounting for assets; and
 - accounting standards updates.
- Provided a significant level of advice and assistance to Aboriginal Shire and Torres Strait Island councils and local governments directed to improve governance and accountability
- Contributed to collegiate activities with other Australian audit offices through benchmarking activities and by leading a project to review the capacity of audit offices to be able to review quality assurance arrangements in each audit office
- Developed and implemented an enhanced quality assurance program over audits conducted by QAO staff to ensure that the stringent requirements of the accounting standards are met
- Published and distributed six issues of the *INFORM* journal to update the public sector on current and emerging issues and QAO activities
- Visited clients in regional centres by the Auditor-General, Deputy Auditor-General and senior staff
- Launched a new technical learning and development calendar and conducted significant training of financial and compliance audit staff
- Further refined arrangements for contracting out audits to improve efficiency and facilitated a contract auditors workshop to inform contract auditors about their audit obligations
- Recruited, inducted and trained 16 graduate auditors.

Departmental Outputs

The Independent Public Sector Auditing Services and Reporting output provides a clear accountability link between the legislative responsibility of the Auditor-General to the Parliament and the Government's *Charter of Social and Fiscal Responsibility*.

The three principal services provided under this output are:

- Annual financial and compliance audits of all public sector entities which includes:
 - independent audit opinion and management reports;
 - independent opinion of consolidated whole-of-Government statements and management report; and
 - audit opinions in relation to Commonwealth grants.
- Audits of performance management systems
- Parliamentary reporting and services and sector wide assistance which includes:
 - reports to parliament and better practice guides;
 - advice and assistance to parliament including briefings and submissions to parliamentary committees and briefings to the Public Accounts Committee and Ministers;
 - advice and assistance to audit clients and key stakeholders; and
 - special investigations.

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

Staffing¹

Output	Notes	2007-08 Budget	2007-08 Est. Actual	2008-09 Estimate
Output				
Independent Public Sector Auditing Services and Reporting		225	216	219
Total		225	216	219

Note:

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

Departmental Statements

Performance Statement

Measures	Notes	2007-08 Target/Est.	2007-08 Est. Actual	2008-09 Target/Est.
Output name: Independent Public Sector Auditing Services and Reporting				
<i>Financial and compliance audits</i>				
Number of audit clients	1	..	497	393
Number of Public Sector entity audits (as prescribed by Legislation)	2	834	841	750
<i>Performance management systems audits</i>				
Number of Public Sector entities audited	3	18	53	Discontinued
<i>Parliamentary reporting and services and sector-wide assistance</i>				
Number of audit reports to Parliament	3			
• Financial and Compliance Audits		4	4	4
• Performance Management System Audits		3	6	6
<i>Financial and compliance audits</i>				
Stakeholder satisfaction with QAO services	4	85%	83%	85%
Percentage of reviewed audits meeting better practice quality assurance standards	4,5	100%	100%	Discontinued
Percentage of audit opinions and findings reviewed as appropriate in terms of QAO methodology	4	100%	100%	100%
<i>Parliamentary reporting and services and sector-wide assistance</i>				
Audit Reports to Parliament completed to the satisfaction of the Parliament and the Public Accounts Committee	6	Satisfied	Satisfied	Satisfied
<i>Financial and compliance audits</i>				
Percentage of financial statements audited and certified within statutory timeframe where statutory requirements observed by auditees	4	100%	100%	100%
<i>Performance management systems audits</i>				
Average time to complete PMSA including reporting to Parliament		< 7 months	6.2 months	< 7 months
Percentage of operational costs self funded through audit fees		82%	84%	83%
State contribution (\$000)		5,360	5,360	5,853
Other revenue (\$000)		25,461	27,947	28,564
Total cost (\$000)		30,821	33,137	34,417

Notes:

1. New measure for 2008-09. Local amalgamations will reduce the number of clients during 2008-09.
2. This result varies depending on decisions of Government to create and abolish public sector entities. This number excludes audit opinions expressed on Commonwealth certificates. Local government amalgamations will reduce the number of audits during 2008-09.
3. The number of audit reports have been split to provide more disclosure and is considered a more appropriate measure to the deleted 'Number of Public Sector entities audited'.
4. The performance indicators have been reworded to better describe the indicator.
5. Although the reviews found that the Standards had been met, they identified areas for improvement which have been incorporated into subsequent training. This measure has been deleted as the measure on audit opinions and findings is considered more appropriate.
6. This measure has been changed from a percentage to satisfied or not satisfied as it is based on feedback from the Public Accounts Committee.

Income Statement

Queensland Audit Office	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
Income				
Output revenue		5,360	5,360	5,853
User charges	1,5,10	25,323	27,822	28,442
Grants and other contributions		..	..	..
Other revenue		138	125	122
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		30,821	33,307	34,417
Expenses				
Employee expenses	2,6,11	18,279	19,693	20,769
Supplies and services	3,7,12	11,132	12,912	13,036
Grants and subsidies		..	..	..
Depreciation and amortisation	8,13	402	401	468
Finance/borrowing costs		19	20	31
Other expenses	4,9	989	111	113
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		30,821	33,137	34,417
OPERATING SURPLUS/(DEFICIT)		..	170	..

Statement of Changes in Equity

Queensland Audit Office	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
Net effect of the changes in accounting policies and prior year adjustments	
Increase/(decrease) in asset revaluation reserve	
Net amount of all revenue and expense adjustments direct to equity not disclosed above	
Net income recognised directly in equity	
Surplus/(deficit) for the period		..	170	..
Total recognised income and expense for the period		..	170	..
Equity injection/(withdrawal)		(92)	(92)	(92)
Equity adjustments (MoG transfers)	
Total movement in equity for period		(92)	78	(92)

Balance Sheet

Queensland Audit Office	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
CURRENT ASSETS				
Cash assets	14	369	562	406
Receivables	15, 18	3,657	3,844	3,844
Other financial assets		..	..	..
Inventories		..	..	..
Other	16, 19	169	323	323
Non-financial assets held for sale		..	..	..
Total current assets		4,195	4,729	4,573
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		440	349	356
Intangibles		1,166	1,062	1,002
Other		..	..	..
Total non-current assets		1,606	1,411	1,358
TOTAL ASSETS		5,801	6,140	5,931
CURRENT LIABILITIES				
Payables		568	576	576
Employee benefit obligations	17,20,21	1,770	1,889	1,964
Interest-bearing liabilities and derivatives		181	192	206
Provisions		..	..	..
Other		..	..	..
Total current liabilities		2,519	2,657	2,746
NON-CURRENT LIABILITIES				
Payables		..	..	..
Employee benefits obligations		..	..	..
Interest-bearing liabilities and derivatives		290	315	109
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		290	315	109
TOTAL LIABILITIES		2,809	2,972	2,855
NET ASSETS/(LIABILITIES)		2,992	3,168	3,076
EQUITY				
Capital/contributed equity		2,992	2,975	2,883
Retained surplus/(accumulated deficit)		..	193	193
Reserves:				
- Asset revaluation reserve		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		2,992	3,168	3,076

Cash Flow Statement

Queensland Audit Office	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Output receipts		5,360	5,360	5,853
User charges	22,26,31	27,280	29,608	30,399
Grants and other contributions		..	..	..
Other		138	125	122
Outflows:				
Employee costs	23,27,32	(18,211)	(19,620)	(20,694)
Supplies and services	24,28,33	(11,933)	(13,712)	(13,837)
Grants and subsidies		..	..	..
Borrowing costs		(19)	(20)	(31)
Other	25,29	(2,145)	(1,267)	(1,269)
Net cash provided by/(used in) operating activities		470	474	543
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	30,34	(785)	(764)	(415)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		(785)	(764)	(415)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		600	600	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		(179)	(143)	(192)
Finance lease payments		..	..	..
Equity withdrawals		(92)	(92)	(92)
Net cash provided by/(used in) financing activities		329	365	(284)
Net increase/(decrease) in cash held		14	75	(156)
Cash at the beginning of financial year		355	487	562
Cash transfers from restructure		..	..	..
Cash at the end of financial year		369	562	406

Explanation of Variances in the Financial Statements

Income Statement

Major variations between 2007-08 Budget and 2007-08 Estimated Actual include:

1. User charges have increased principally due to increased audit activity with particular emphasis on quality assurance in accordance with the auditing standards, maintenance of activity on the Shared Services core systems and timing of contract audit payments. This extra revenue has been offset by increased salaries and audit contractor expenses included in Supplies and services.
2. Employee expenses have increased due to increased audit activity and this salary increase is reflected in increased revenue generation. The quality assurance requirements of the auditing standards have placed greater emphasis on quality assurance within QAO and this has been managed by an increase in audit support staff to ensure QAO meets these standards.
3. Lease expenses of \$0.9 million have been reclassified within the government system from Other expenses to Supplies and services. Other expenses has an offsetting decrease in expense. Supplies and services has also increased due to increased audit activity requiring increased use of contract auditors. This increase in contract auditor services is offset by increased revenue.
4. Other expenses has decreased due to reclassification of lease expenses to Supplies and services.

Major variations between 2007-08 Budget and 2008-09 Estimate include:

5. User charges have increased due to an increase in fees in line with CPI and increased audit activity particularly in relation to increased emphasis on quality assurance in accordance with the new auditing standards, maintenance of activity on Shared Services core systems and the timing of contracted audit payments. The extra revenue has been offset by increased salaries and audit contractor expenses.
6. Employee expenses have increased due to increased audit activity and quality assurance support activity plus the salary increases due to the Enterprise Bargaining agreement.
7. Lease expenses of \$0.9 million have been reclassified within the government system from Other expenses to Supplies and services. Other expenses has an offsetting decrease in expense. Supplies and services has also increased due to the increased audit activity requiring increased use of contract auditors. This increase in contract auditor services is offset by increased revenue.
8. Depreciation and amortisation increase is principally due to the full year effects of depreciation of the new practice management system.
9. Other expenses has decreased due to the reclassification of lease expenses to Supplies and services.

Major variations between 2007-08 Estimated Actual and the 2008-09 Estimate include:

10. The 2008-09 fee rate will increase in accordance with CPI for the new audit year.
11. Employee expenses will increase by 4% in accordance with the Enterprise Bargaining agreement. Extra funding to support the mandate for the Performance Management System audits will be utilised to increase staffing numbers and salaries for this activity.
12. The increase in costs for Supplies and services is the result of the triennial replacement program for notebook computers. The total cost is offset by reductions in other costs including office fit-out and contract support staff.
13. Depreciation and amortisation increase is principally due to the full year effects of depreciation of the new practice management system.

Balance Sheet

Major variations between 2007-08 Budget and 2007-08 Estimated Actual include:

14. The favourable cash position is a result of an improved opening balance from 2006-07 and increased audit activity.
15. Receivables have been adjusted to reflect increased audit activity and a higher than expected opening balance from 2006-07.
16. Other current assets have increased to reflect the estimated increase in prepayments brought forward from 2006-07 balances and prepaid maintenance fees.
17. Employee benefit obligations have been increased to reflect the actual opening estimate from 2006-07 and the increased number of QAO staff.

Major variations between 2007-08 Budget and 2008-09 Estimate include:

18. Receivables have been adjusted to reflect increased audit activity and a higher than expected opening balance from 2006-07.
19. Other current assets have increased to reflect the estimated increase in prepayments brought forward from 2006-07 balances and prepaid maintenance fees.
20. Employee benefit obligations have been increased to reflect the actual opening estimate from 2006-07 and the increased number of QAO staff. This also includes the increase in the benefit due to the 4% Enterprise Bargaining agreement.

Major variations between 2007-08 Estimated Actual and the 2008-09 Estimate include:

21. Employee benefit obligations have been increased to reflect the increased number of QAO staff including the increase in the benefit due to the 4% Enterprise Bargaining agreement.

Cash Flow Statement

Major variations between 2007-08 Budget and 2007-08 Estimated Actual include:

22. User charges have increased principally due to increased audit activity with particular emphasis on quality assurance in accordance with the auditing standards, maintenance of activity on the Shared Services core systems and timing of contract audit payments. This extra revenue has been offset by increased salaries and audit contractor expenses included in Supplies and services.
23. Employee costs have increased due to increased audit activity and this salary increase is reflected in increased revenue generation. The quality assurance requirements of the auditing standards have placed greater emphasis on quality

assurance within QAO and this has been managed by an increase in audit support staff to ensure QAO meets these standards.

24. Lease expenses of \$0.9 million have been reclassified within the government system from Other expenses to Supplies and services. Other expenses has an offsetting decrease in expense. Supplies and services has also increased due to increased audit activity requiring increased use of contract auditors. This increase in contract auditor services is offset by increased revenue.
25. Other expenses has decreased due to reclassification of lease expenses to Supplies and services.

Major variations between 2007-08 Budget and 2008-09 Estimate include:

26. User charges have increased due to increase in fees in line with CPI and increased audit activity particularly in relation to increased emphasis on quality assurance in accordance with the new auditing standards, maintenance of activity on Shared Services core systems and the timing of contracted audit payments. The extra revenue has been offset by increased salaries and audit contractor expenses.
27. Employee costs have increased due to increased audit activity and quality assurance support activity plus the salary increases due to the Enterprise Bargaining agreement.
28. Lease expenses of \$0.9 million have been reclassified within the government system from Other expenses to Supplies and services causing an increase in the Supplies and services expense, this has been offset by a decrease in Other expenses. Supplies and services has also increased due to the increased audit activity requiring increased use of contract auditors. This increase in contract auditor services is offset by increased revenue.
29. Other expenses has decreased due to the reclassification of lease expenses to Supplies and services.
30. Capital expenditure on a new practice management system in 2007-08 will be complete and capital expenditure in 2008-09 is for continuation of system network replacement and commencement of the eDRMS project.

Major variations between 2007-08 Estimated Actual and the 2008-09 Estimate include:

31. The 2008-09 fee rate will increase in accordance with CPI for the new audit year.
32. Employee costs will increase by 4% in accordance with the Enterprise Bargaining agreement. Extra funding to support the mandate for the Performance Management System audits will be utilised to increase staffing numbers and salaries for this activity.
33. The increase in costs for Supplies and services is the result of the triennial replacement program for notebook computers. The total cost is offset by reductions in other costs including office fit-out and contract support staff.
34. Capital expenditure on a new practice management system in 2007-08 will be complete and capital expenditure in 2008-09 is for continuation of system network replacement and commencement of the eDRMS project.

Statutory Bodies

Commission for Children and Young People and Child Guardian

Overview

The Commission for Children and Young People and Child Guardian's mandate is to promote the rights, interests and wellbeing of children. The Commission's services contribute and relate to the whole-of-Government outcome of strengthening Queensland's communities. Key responsibilities include regularly visiting and reporting on outcomes for children in the child safety and juvenile justice systems, advocating on key issues affecting the vulnerability of all children in the State and administering the blue card legislative system.

At 30 June 2008, there were 256 full-time equivalent (FTE) staff and 193 Community Visitors (CVs) employed on a casual basis. By June 2009 FTE levels will be 265 and there will be 210 CVs.

Recent Achievements

In 2007-08 the Commission:

- Reviewed the Community Visitor Program; continued to regularly visit as well as sought the views of children living in State care and published a number of review reports on performance aspects of the child safety and juvenile justice systems
- Published *Snapshot 2007: Children and Young People in Queensland*; managed the Young Delegates Program at the 11th Australasian Conference for Child Abuse and Neglect; engaged with community groups and agencies and advocated for strengthened access to critical support services for families with young children
- Managed child related employment screening operations and provided regulated organisations with continuous monitoring of the status of their blue card holders (since its inception in 2001, over one million cards have been issued and over 2,700 people have been prevented from providing child regulated services).

Future Developments

In 2008-09 the Commission will:

- Regularly visit children in alternative care and advocate for improved services as required
- Strengthen strategies for assisting children to inform the Commission's advocacy work; collaborate with agencies to improve critical support services for families with children; and promote access to Commission services (particularly by Indigenous people)
- Strengthen engagement with child related screening bodies to enhance safeguards for children; improve the efficiency of the blue card system; and undertake targeted consultation with children on safe service environments.

Statements

Performance Statement

Measures	Notes	2007-08 Target/Est.	2007-08 Est. Actual	2008-09 Target/Est.
Complaints enquiries received	1	3,000	2,450	2,800
Complaints progressed	1	400	665	650
Number of monitoring and review activities commenced		20	22	20
Number of monitoring and review activities completed		20	17	20
Number of child death cases reviewed		50	53	50
Community visitation and support hours per year		144,000	157,276	150,000
Employment screening applications processed		250,000	256,000	250,000
Number of policy/submissions made		70	70	70
Number of public and media statements and presentations made	2	500	681	700
% of serious issues raised by Community Visitors (regarding both Visitable Sites and Homes) progressed to relevant agencies		100%	100%	100%
% of non-serious issues regarding visitable homes are resolved at the local level		85%	84%	85%
Client satisfaction with Employment Screening processes as established by survey		84%	85%	85%
% Complaints cases closed		85%	82%	85%
% of monitoring and review recommendations accepted		90%	100%	90%
% CDCRC recommendations accepted		90%	100%	90%
Follow up on complaints resolution in 28 days		95%	100%	95%
% of visitable sites contacted per month		90%	89%	90%
% of visitable homes contacted per month		90%	82%	90%
Employment screening applications processed:				
• within 28 days where no criminal history		85%	90%	85%

Measures	Notes	2007-08 Target/Est.	2007-08 Est. Actual	2008-09 Target/Est.
• where a criminal history has been notified, percentage applications finalised within 4 months		90%	93%	90%
% of CDCRC cases reviewed within legislated timeframe		100%	100%	100%
% of complaints received from outside Brisbane locations	3	60%	74%	60%
% of visitable sites known to the Commission visited by Community visitors outside Brisbane	4	100%	90%	100%
% of visitable homes known to the Commission visited by Community Visitors outside Brisbane		100%	93%	100%
% of training and awareness activities conducted outside Brisbane		60%	70%	60%
% of Employment Screening Applications received outside Brisbane		65%	64%	65%
State contribution (\$'000)		33,896	37,506	40,262
Other revenue(\$'000)		2,445	2,445	4,145
Total cost (\$'000)		36,341	39,951	41,390

Notes:

1. The Commission received fewer complaint enquiries than expected, however, the number of complex and serious matters requiring referral to external agencies has increased significantly over previous years. The increase in the number of matters that needed to be formally progressed has resulted from a rise in the number of issues being identified by the Commission's Community Visitors as they visit children living in foster care and residential facilities.
2. The 2007-08 Estimated Actual consists of media statements, presentations made to external agencies or audiences and risk management workshops (100) not previously included in the 2007-80 Target/Estimate. The measure is largely demand driven and consequently the 2007-08 Target/Estimate has been revised to reflect anticipated workloads.
3. Staff from the Commission conducted awareness-raising sessions in a number of regional centres during the year resulting in increased demand for Commission complaint resolution services.
4. Widespread flooding across Queensland during January and February 2008 significantly reduced the number of visits that could be conducted during these months.

Income Statement

Commission for Children and Young People and Child Guardian	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
Income				
User charges	3	2,295	2,295	3,895
Grants and other contributions	1, 4	33,896	37,506	40,262
Other revenue		150	150	250
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		36,341	39,951	44,407
Expenses				
Employee expenses	5	18,730	18,730	22,436
Supplies and services	2, 6	17,449	21,059	18,792
Grants and subsidies		..	..	..
Depreciation and amortisation		150	150	150
Finance/borrowing costs		..	..	..
Other expenses		12	12	12
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		36,341	39,951	41,390
OPERATING SURPLUS/(DEFICIT)		..	..	3,017

Statement of Changes in Equity

Commission for Children and Young People and Child Guardian	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
Net effect of the changes in accounting policies and prior year adjustments	
Increase/(decrease) in asset revaluation reserve	
Net amount of all revenue and expense adjustments direct to equity not disclosed above	
Net income recognised directly in equity	
Surplus/(deficit) for the period		3,017
Total recognised income and expense for the period		3,017
Equity injection/(withdrawal)	
Equity adjustments (MoG transfers)	
Total movement in equity for period		3,017

Balance Sheet

Commission for Children and Young People and Child Guardian	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
CURRENT ASSETS				
Cash assets		834	1,206	1,206
Receivables		108	288	288
Other financial assets		..	..	..
Inventories		..	..	..
Other		38	3	3
Non-financial assets held for sale		..	..	..
Total current assets		980	1,497	1,497
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	9	1,459	1,232	2,249
Intangibles	7, 10	714	1,096	3,096
Other		..	..	..
Total non-current assets		2,173	2,328	5,345
TOTAL ASSETS		3,153	3,825	6,842
CURRENT LIABILITIES				
Payables	8, 11	654	1,009	1,009
Employee benefits obligations		896	1,261	1,261
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		1,550	2,270	2,270
NON-CURRENT LIABILITIES				
Payables		..	..	..
Employee benefits obligations		330	362	362
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		330	362	362
TOTAL LIABILITIES		1,880	2,632	2,632
NET ASSETS/(LIABILITIES)		1,273	1,193	4,210
EQUITY				
Capital/contributed equity		377	297	297
Retained surplus/(Accumulated deficit)	12	896	896	3,913
Reserves:				
- Asset revaluation reserve		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		1,273	1,193	4,210

Cash Flow Statement

Commission for Children and Young People and Child Guardian	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges	16	2,298	2,298	3,898
Grants and other contributions	13, 17	33,896	37,506	40,262
Other		304	304	404
Outflows:				
Employee costs	18	(18,730)	(18,730)	(22,436)
Supplies and services	14, 19	(17,603)	(24,973)	(18,946)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(15)	(15)	(15)
Net cash provided by/(used in) operating activities		150	(3,610)	3,167
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	20	(150)	(150)	(3,167)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		(150)	(150)	(3,167)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		..	..	..
Net increase/(decrease) in cash held		..	(3,760)	..
Cash at the beginning of financial year	15	834	4,966	1,206
Cash transfers from restructure		..	..	..
Cash at the end of financial year		834	1,206	1,206

Explanation of Variances in the Financial Statements

Income Statement

Major variations between 2007-08 Budget and 2007-08 Estimated Actual include:

1. Increase in Grants and other contributions revenue due to the carryover of committed funding from 2006-07.
2. Increase in Supplies and services due to enhanced activities funded through the carryover noted in 1 above.

Major variations between 2007-08 Budget and 2008-09 Estimate include:

3. Increase in User charges due to an increase in application fees for blue cards.
4. Increase in Grants and other contributions due to funding received for the Community Visitor Program, the Employment Screening Services Program and the Commission's long term accommodation strategy.
5. Increase in Employee expenses due to enhanced activities funded through the additional funding received noted in 4 above.
6. Increase in Supplies and services due to enhanced activities funded through the additional funding received noted in 4 above.

Balance Sheet

Major variations between 2007-08 Budget and 2007-08 Estimated Actual include:

7. Increase in Intangibles due to enhancements to the Commission's information technology systems.
8. Increase in Payables due to enhanced activities across the Commission.

Major variations between 2007-08 Budget and 2008-09 Estimate include:

9. Increase in Property, plant and equipment due to the capitalisation of accommodation fit out.
10. Increase in Intangibles due to funding received for the redevelopment of the Employment Screening Services database.
11. Increase in Payables due to enhanced activities across the Commission.
12. Increase in Retained surplus/(accumulated deficit) reflects funding received for the Employment Screening Services database and the Commission's long term accommodation strategy.

Cash Flow Statement

Major variations between 2007-08 Budget and 2007-08 Estimated Actual include:

13. Increase in Grants and other contributions due to the carryover of funds noted in 1 above.
14. Increase in Supplies and services due to enhanced activities funded through the carryover of funds noted in 1 above.
15. Increase in Cash at the beginning of the financial year relates to carryover noted in 1 above.

Major variations between 2007-08 Budget and 2008-09 Estimate include:

16. Increase in User charges due to an increase in application fees for blue cards.
17. Increase in Grants and other contributions due to funding received for the Community Visitor Program, the Employment Screening Services Program and the Commission's long term accommodation strategy.
18. Increase in Employee costs due to enhanced activities across the Commission and Enterprise Bargaining arrangements.
19. Increase in Supplies and services due to enhanced activities across the Commission.
20. Increase in Payments for property, plant and equipment and intangibles due the accommodation fit out and the development of the Employment Screening Services database.

Family Responsibilities Commission

Overview

The Family Responsibilities Commission (the Commission) and leaders from the Cape York communities of Aurukun, Hope Vale, Coen and Mossman Gorge, will work together to rebuild social norms in the communities and to support individuals to resume primary responsibility for the wellbeing of their family and their community. The Commission was established as a major plank in the Cape York welfare reforms and supports the Government's priority of *Strengthening Indigenous communities* and the whole-of-Government outcome of *Strengthening Queensland communities*. The initiative is a partnership between the four Cape York communities, the Queensland Government, the Australian Government and the Cape York Institute for Policy and Leadership.

People in the communities who breach obligations relating to school enrolment and attendance, child safety and tenancy or if they are involved in criminal activity will be notified to the Commission. The Commission will assist individuals to undertake action to address issues such as family relationships, drug and alcohol use, problem gambling, child safety and family violence, including possibly referring individuals to community support services or direct that a person's welfare payments be managed by Centrelink to pay for the priority needs of their family.

The Commission comprises a Commissioner and a panel of part-time Local Commissioners from each community (including elders or other respected people), is supported by staff in Cairns with a Local Coordinator in each community.

Recent Achievements

During 2007-08:

- The *Family Responsibilities Commission Act 2008* was assented on 13 March 2008
- Appointed Mr David Glasgow as the Commissioner on 24 April 2008
- Commenced the Local Commissioner nomination process and staff recruitment
- Commenced developing the Commission's business systems, guidelines and practices
- Commenced on-going engagement and communication activities with the four communities and other key stakeholders
- Established the Commission's Cairns accommodation and have commenced identification of accommodation for staff and Commission conferences in the four communities
- Commenced developing a Regulation to prescribe outstations associated with the communities and non-Government organisations that will provide information on tenancy breaches.

Future Developments

In 2008-09 the Commission will:

- Commence operations on 1 July 2008 and then receive notices concerning people who are not meeting their welfare obligations and negotiate with them to decide on the course of action required to improve their behaviour
- Continue to improve the efficiency and effectiveness of business practices.

Statements

Performance Statement

Measures	Notes	2007-08 Target/Est.	2007-08 Est. Actual	2008-09 Target/Est.
Performance measures are being developed in partnership with the Australian Government and the Cape York Institute for Policy and Leadership.	1			
State contribution (\$'000)		..	1,164	3,675
Other revenue(\$'000)		..	..	..
Total cost (\$'000)		..	1,164	3,675

Note:

1 An independent evaluation will be conducted, assessing the efficacy of the welfare reform trial, including the Family Responsibilities Commission. The evaluation will assess:

- i whether the intervention effected significant change in the four areas of the trial: (rebuilding social norms and restoring Indigenous authority; addressing the welfare pedestal; increasing individual engagement in the real economy; and transitioning people to home ownership.)
- ii whether the interventions were implemented effectively, and why or why not;
- iii inform future government decision-making and social policy formulation for both the wider community and the Indigenous community.

As part of the evaluation framework the overall high level outcomes measures for the welfare reform trial will include (among others):

- i a reduction in child abuse and neglect;
- ii an increase in school attendance;
- iii a decrease in family and community violence;
- iv a decrease in substance use (drug and alcohol) related crime and hospital statistics;
- v a decrease in tenancy breaches in public housing; and
- vi an increase in labour force participation.

The evaluation framework, including final performance indicators, will be endorsed by the Commonwealth, State and the Cape York Institute for Policy and Leadership in 2008-09.

Income Statement

Family Responsibilities Commission	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
Income				
User charges		..	..	..
Grants and other contributions	1, 4	..	1,164	3,675
Other revenue		..	..	..
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		..	1,164	3,675
Expenses				
Employee expenses	2, 5	..	183	1,440
Supplies and services	3, 6	..	981	1,435
Grants and subsidies	7	..	..	800
Depreciation and amortisation		..	..	..
Finance/borrowing costs		..	..	..
Other expenses		..	..	..
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		..	1,164	3,675
OPERATING SURPLUS/(DEFICIT)		..	..	..

Statement of Changes in Equity

Family Responsibilities Commission	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
Net effect of the changes in accounting policies and prior year adjustments	
Increase/(decrease) in asset revaluation reserve	
Net amount of all revenue and expense adjustments direct to equity not disclosed above	
Net income recognised directly in equity	
Surplus/(deficit) for the period	
Total recognised income and expense for the period	
Equity injection/(withdrawal)	
Equity adjustments (MoG transfers)	
Total movement in equity for period	

Balance Sheet

Family Responsibilities Commission	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
CURRENT ASSETS	8, 11			
Cash assets		..	50	223
Receivables		..	..	..
Other financial assets		..	..	..
Inventories		..	..	..
Other		..	..	..
Non-financial assets held for sale		..	..	..
Total current assets		..	50	223
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		..	..	..
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		..	..	..
TOTAL ASSETS		..	50	223
CURRENT LIABILITIES	9, 12 10, 13			
Payables		..	40	138
Employee benefits obligations		..	10	85
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		..	50	223
NON-CURRENT LIABILITIES				
Payables		..	..	..
Employee benefits obligations		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	..	..
TOTAL LIABILITIES		..	50	223
NET ASSETS/(LIABILITIES)		..	..	..
EQUITY				
Capital/contributed equity		..	..	..
Retained surplus/(Accumulated deficit)		..	..	..
Reserves:				
- Asset revaluation reserve		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		..	..	..

Cash Flow Statement

Family Responsibilities Commission	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges		..	..	..
Grants and other contributions	14, 17	..	1,164	3,675
Other		..	..	..
Outflows:				
Employee costs	15, 18	..	(173)	(1,365)
Supplies and services	16, 19	..	(941)	(1,337)
Grants and subsidies	20	..	..	(800)
Borrowing costs		..	..	..
Other		..	..	..
Net cash provided by/(used in) operating activities		..	50	173
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		..	..	..
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		..	..	..
Net increase/(decrease) in cash held		..	50	173
Cash at the beginning of financial year		..	..	50
Cash transfers from restructure		..	..	..
Cash at the end of financial year		..	50	223

Explanation of Variances in the Financial Statements

Income Statement

The *Family Responsibilities Act 2008* was assented on 13 March 2008 and the Commission will commence operations on 1 July 2008.

Major variations between 2007-08 Budget and 2007-08 Estimated Actual include:

1. An increase in Grants and other contributions reflects the part-year State contribution to the Commission.
2. An increase in Employee expenses reflects the part-year impact of the creation of the Commission.
3. An increase in Supplies and services reflects the part-year impact of the creation of the Commission.

Major variations between 2007-08 Budget and 2008-09 Estimate include:

4. An increase in Grants and other contributions reflects the full year State contribution to the Commission.
5. An increase in Employee expenses reflects the fully year impact of the creation of the Commission, including Enterprise Bargaining arrangements.
6. An increase in Supplies and services reflects the full year impact of the creation of the Commission.
7. An increase in Grants and subsidies reflects the provision of funding associated with the Commission's accommodation strategy.

Balance Sheet

Major variations between 2007-08 Budget and 2007-08 Estimated Actual include:

8. An increase in Cash assets reflects cash set aside to service the Commission's liabilities.
9. An increase in Payables reflects the effective use of creditor payment terms.
10. An increase in Employee benefits obligations reflects benefits accrued to Commission employees.

Major variations between 2007-08 Budget and 2008-09 Estimate include:

11. An increase in Cash assets reflects cash set aside to service the Commission's liabilities.
12. An increase in Payables reflects the effective use of creditor payment terms.
13. An increase in Employee benefits obligations reflects benefits accrued to Commission employees.

Cash Flow Statement

Major variations between 2007-08 Budget and 2007-08 Estimated Actual include:

14. An increase in Grants and other contributions reflects the part-year State contribution to the Commission.
15. An increase in Employee costs reflects the part-year impact of the creation of the Commission.
16. An increase in Supplies and services reflects the part-year impact of the creation of the Commission.

Major variations between 2007-08 Budget and 2008-09 Estimate include:

17. An increase in Grants and other contributions reflects the full year State contribution to the Commission.
18. An increase in Employee costs reflects the fully year impact of the creation of the Commission, including Enterprise Bargaining arrangements.
19. An increase in Supplies and services reflects the full year impact of the creation of the Commission.
20. An increase in Grants and subsidies reflects the provision of funding associated with the Commission's accommodation strategy.

Queensland Events Corporation Pty Ltd

Overview

Queensland Events contributes to the Government priority of *Building on Economic Success* through working with tourism industry stakeholders to leverage the State Government's investment firstly, in major events as a means of targeting tourism markets domestically and internationally and secondly, in regional events to highlight Queensland's cultural and geographical diversity, developing financial sustainability and to enhance regional communities.

While participating in an intensely competitive industry, Queensland Events continues to seek opportunities to secure major one-off international events. In addition there is a strong focus on developing existing and new events particularly where these events can be owned through Queensland Events' corporate structure, such as the Asia Pacific Screen Awards. Queensland Events currently employs 12.75 Full-Time Equivalent staff.

Recent Achievements

- The inaugural Asia Pacific Screen Awards (the 'Awards') were held on 13 November 2007, at the Sheraton Mirage on the Gold Coast in front of some 400 film industry professionals. A series of television programs based around the Awards were televised globally by CNN International with each program being repeated four times. The programs were also distributed to CNN International's 900 global affiliate television networks and stations making the Awards one of the largest Australian television events ever to be broadcast.
- 2007 also saw the release of Queensland Events new film and television branding 'Queensland Presents'. Queensland Presents is part of a long-term strategy to make Queensland the hub of film and television events in Australia. Under the banner of 'Queensland Presents', the Gold Coast hosted a week long celebration of the best that Australia and the Asia-Pacific had to offer in film and television with the Awards, followed by the Screen Producers Association of Australia Conference and culminating with the people's choice Inside Film Awards.
- Another record breaking Gold Coast Airport Marathon was staged in July 2007 with over 16,200 participants including some 1,500 Japanese participants, supporters and media representatives. This was the third consecutive year that the marathon experienced record participation.
- The 2006 Cadbury Schweppes Australian PGA Championship won the 'Major Festivals and Events' category at the 2007 Queensland Tourism Awards and represented Queensland at the National Awards in Canberra. This is the first time a golf tournament has taken out Queensland's top tourism event honours.
- The successful partnering of Queensland Events with the Queensland Art Gallery and the Gallery of Modern Art saw two blockbuster wins with the *Andy Warhol* and *Picasso and His Collection* exhibitions being secured exclusively to Brisbane.

Future Developments

- Queensland Events will continue to develop a diversified portfolio of event investments with a specific focus on non-sports events to leverage the greatest tourism benefits possible for the State in conjunction with major partners such as Tourism Queensland.

- Queensland Events will continue to invest in the Regional Program to extend the flow of economic and social benefits from events to the regions giving a boost to local communities by bringing in business, creating jobs, attracting tourists and fuelling growth, prosperity and a tremendous sense of local pride.

Statements

Performance Statement

Measures	Notes	2007-08 Target/Est.	2007-08 Est. Actual	2008-09 Target/Est.
Output name: Major Events Securement and Support				
Number of Event Submissions Received and Assessed	1	85	70	70
Portfolio Economic Value	2	\$550 million	\$550 million	Discontinued
Level of Satisfaction by Event Organisers with Support Provided		90%	90%	90%
State contribution (\$'000)		9,430	16,160	12,024
Other revenue (\$'000)		300	700	700
Total cost (\$'000)		9,730	16,860	12,724
Output name: Queensland Events Regional Development Program				
Number of Event Applications Received and Assessed	1	150	107	140
Level of Satisfaction by Event Organiser with Support Provided		90%	90%	90%
Established Deadlines under the QERDP		100%	95%	100%
Regional Educational Activities under the QERDP		20	21	20
State contribution (\$'000)		2,400	2,400	2,400
Other revenue(\$'000)		..	..	..
Total cost (\$'000)		2,400	2,400	2,400

Notes:

1. Queensland Events Corporation will continue to work with event organisers to promote awareness and understanding of the requirements for successful event submissions/applications.
2. In line with current industry trends, events will be assessed on an individual cost benefit/effectiveness basis rather than an economic value.

Income Statement

Queensland Events Corporation Pty Ltd	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
Income				
User charges		..	..	..
Grants and other contributions	1, 4	11,830	18,560	14,424
Other revenue	2, 5	300	700	700
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		12,130	19,260	15,124
Expenses				
Employee expenses		1,486	1,486	1,512
Supplies and services		783	783	839
Grants and subsidies	3, 6	9,848	16,978	12,764
Depreciation and amortisation		13	13	9
Finance/borrowing costs		..	..	..
Other expenses		..	..	..
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		12,130	19,260	15,124
OPERATING SURPLUS/(DEFICIT)		..	..	..

Statement of Changes in Equity

Queensland Events Corporation Pty Ltd	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
Net effect of the changes in accounting policies and prior year adjustments	
Increase/(decrease) in asset revaluation reserve	
Net amount of all revenue and expense adjustments direct to equity not disclosed above	
Net income recognised directly in equity	
Surplus/(deficit) for the period	
Total recognised income and expense for the period	
Equity injection/(withdrawal)	
Equity adjustments (MoG transfers)	
Total movement in equity for period	

Balance Sheet

Queensland Events Corporation Pty Ltd	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
CURRENT ASSETS				
Cash assets	7, 10	5,327	7,868	7,868
Receivables		170	(20)	(20)
Other financial assets		..	..	..
Inventories		..	..	..
Other		..	..	..
Non-financial assets held for sale		..	..	..
Total current assets		5,497	7,848	7,848
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		20	40	41
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		20	40	41
TOTAL ASSETS		5,517	7,888	7,889
CURRENT LIABILITIES				
Payables	8, 11	3,725	4,929	4,880
Employee benefits obligations		163	199	199
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		3,888	5,128	5,079
NON-CURRENT LIABILITIES				
Payables		..	..	..
Employee benefits obligations		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		192	189	239
Other		..	..	..
Total non-current liabilities		192	189	239
TOTAL LIABILITIES		4,080	5,317	5,318
NET ASSETS/(LIABILITIES)		1,437	2,571	2,571
EQUITY				
Capital/contributed equity		..	..	..
Retained surplus/(Accumulated deficit)	9, 12	1,437	2,571	2,571
Reserves:				
- Asset revaluation reserve		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		1,437	2,571	2,571

Cash Flow Statement

Queensland Events Corporation Pty Ltd	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges		219	219	..
Grants and other contributions	13, 16	11,830	17,950	14,424
Other	14, 17	300	700	700
Outflows:				
Employee costs		(1,450)	(1,450)	(1,462)
Supplies and services	18	(66)	(66)	(888)
Grants and subsidies	15, 19	(9,848)	(16,368)	(12,764)
Borrowing costs		..	..	..
Other		..	..	..
Net cash provided by/(used in) operating activities		985	985	10
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		10	10	1
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		(20)	(20)	(11)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		(10)	(10)	(10)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		..	..	..
Net increase/(decrease) in cash held		975	975	..
Cash at the beginning of financial year		4,352	7,503	8,478
Cash transfers from restructure		..	..	..
Cash at the end of financial year		5,327	8,478	8,478

Explanation of Variances in the Financial Statements

Income Statement

Major variations between 2007-08 Budget and 2007-08 Estimated Actual include:

1. Grants and other contributions revenue is a State contribution. The increase is due to additional funding received in 2007-08 for the Asia Pacific Screen Awards.
2. Other revenue includes an increased amount of interest earned.
3. Grants and subsidies have increased primarily due to expenditure for the Asia Pacific Screen Awards.

Major variations between 2007-08 Budget and 2008-09 Estimate include:

4. Grants and other contributions revenue is a State contribution. The increase is due to additional funding committed in 2008-09 for the Asia Pacific Screen Awards.
5. Other revenue includes an increased amount of interest earned.
6. Grants and subsidies have increased primarily due to expenditure for the Asia Pacific Screen Awards.

Balance Sheet

Major variations between 2007-08 Budget and 2007-08 Estimated Actual include:

7. Cash assets are estimated to increase due to timing differences in the payment of creditors.
8. Payables are estimated to increase due to timing differences in the payment of creditors.
9. Retained surplus has increased primarily due to the surplus against total budget achieved on conducting the Asia Pacific Screen Awards in 2007.

Major variations between 2007-08 Budget and 2008-09 Estimate include:

10. Cash assets are estimated to increase due to timing differences in the payment of creditors.
11. Payables are estimated to increase due to timing differences in the payment of creditors.
12. Retained surplus has increased primarily due to the surplus against total budget achieved on conducting the Asia Pacific Screen Awards in 2007.

Cash Flow Statement

Major variations between 2007-08 Budget and 2007-08 Estimated Actual include:

13. Grants and other contributions receipts is a State contribution. The increase is due to additional funding received in 2007-08 for the Asia Pacific Screen Awards.
14. Other receipts includes an increased amount of interest earned.
15. Grants and subsidies have increased primarily due to expenditure for the Asia Pacific Screen Awards.

Major variations between 2007-08 Budget and 2008-09 Estimate include:

16. Grants and other contributions receipts is a State contribution. The increase is due to additional funding committed in 2008-09 for the Asia Pacific Screen Awards.
17. Other receipts includes an increased amount of interest earned.
18. Decrease in Supplies and services outflows reflects reductions in receivables of an for operating nature.
19. Grants and subsidies have increased primarily due to expenditure for the Asia Pacific Screen Awards.

South Bank Corporation

Overview

The South Bank Corporation owns and manages over 40 hectares of Brisbane's most popular cultural, educational and recreational facilities. The Corporation is a Queensland Government statutory authority which is developed, managed and promoted under the *South Bank Corporation Act 1989*. Since 1989, the South Bank precinct has been transformed into a successful world-class leisure, business, residential, educational and cultural hub that was enjoyed an estimated 9 million visitors in 2007-08.

The Corporation is committed to ongoing strategic planning to ensure the sustainable development and improvement of the area it controls, with the clear aim of increasing its appeal to a greater cross-section of Queensland residents and visitors. The Corporation is committed to the Government priorities of Building on economic success, *Embracing growth in cities and regions* and *Managing climate change and protecting the environment*.

South Bank Corporation directly employs 79 full time equivalent staff. The Corporation and the Brisbane Convention and Exhibition Centre (BCEC) combined employ 267 permanent staff and an average of 477 casual employees.

Recent Achievements

During 2007-08:

- The SW1 Redevelopment Stage One retail and commercial project was completed in 2006. The remainder of the redevelopment at Melbourne Street, South Brisbane, which consists of commercial and residential accommodation, is currently under construction with expected completion in early 2009
- Construction on Abigroup's three storey development on the former Butterfly House site has been completed. The four Green Star rated development is accessible from both the Stanley Street Plaza and Little Stanley Street and engages with public space
- Construction of the WA Stockwell commercial office building at 199 Grey Street is now complete with commercial tenants in place
- The precinct continued to host Brisbane and Queensland's premier events including several major festivals and sporting events, as well as a variety of community events.

Future Developments

- The State Government will invest \$4.6 million to support the Corporation's Stormwater Harvesting Project which will provide the South Bank Parklands with 78% of its irrigation requirements and reduce its reliance on purchased recycled water.
- An investment of \$130 million will be made into the Brisbane Convention and Exhibition Centre Expansion project. The expansion will give the multi-award winning Centre a Grey Street frontage and target an urgent need to accommodate more conventions of 400 to 600 delegates within the Centre.
- Construction will commence in mid 2008 on the South Point Redevelopment on the sites surrounding the Collins Place Heritage Building, located next to the South Bank Rail Station and will include a mixed-use facility including residential, business, shopping and dining areas and high-quality public spaces.

Statements

Performance Statement

Measures	Notes	2007-08 Target/Est.	2007-08 Est. Actual	2008-09 Target/Est.
Number of visitors		8.91 million	9.0 million	9.2million
Visitor percentage increase		1.6%	1.1%	2.2%
Number of BCEC events per year		873	866	902
Percentage of satisfied customers		90%+	90%+	90%+
Net costs of services per visitor	1	0.62	0.58	0.70
State contribution (\$'000)	2	10,025	36,755	89,195
Other revenue(\$'000)	3	70,184	71,523	79,454
Total cost (\$'000)		69,202	65,587	68,771

Notes:

1. Increase in 2008-09 net costs of services mainly due to increased maintenance costs.
2. Increase in state contributions for capital grant funding of BCEC expansion and storm water harvesting projects.
3. Increase in 2008-09 revenue mainly due to sale of development land.

Income Statement

South Bank Corporation	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
Income				
User charges	5, 9	54,954	55,623	63,797
Grants and other contributions	1, 6, 10	10,025	36,755	89,195
Other revenue	2, 7	230	900	657
Gains on sale/revaluation of property, plant and equipment and investments		15,000	15,000	15,000
Total income		80,209	108,278	168,649
Expenses				
Employee expenses		22,119	23,655	24,466
Supplies and services	3	30,761	27,685	29,491
Grants and subsidies		..	..	..
Depreciation and amortisation	4, 8	14,200	12,200	12,560
Finance/borrowing costs		2,122	2,047	2,254
Other expenses		..	..	..
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		69,202	65,587	68,771
OPERATING SURPLUS/(DEFICIT)		11,007	42,691	99,878

Statement of Changes in Equity

South Bank Corporation	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
Net effect of the changes in accounting policies and prior year adjustments	
Increase/(decrease) in asset revaluation reserve		20,031	20,031	25,592
Net amount of all revenue and expense adjustments direct to equity not disclosed above	
Net income recognised directly in equity		20,031	20,031	25,592
Surplus/(deficit) for the period		11,007	42,691	99,878
Total recognised income and expense for the period		31,038	62,722	125,470
Equity injection/(withdrawal)	
Equity adjustments (MoG transfers)	
Total movement in equity for period		31,038	62,722	125,470

Balance Sheet

South Bank Corporation	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
CURRENT ASSETS				
Cash assets	11,15,20	9,077	15,920	20,722
Receivables		1,449	1,586	1,637
Other financial assets		..	..	..
Inventories		250	263	273
Other	12, 16	800	1,229	1,229
Non-financial assets held for sale	17, 21	2,050	1,980	..
Total current assets		13,626	20,978	23,861
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	13,18,22	510,464	539,235	658,065
Intangibles		..	..	..
Other	14	5,546	7,698	7,748
Total non-current assets		516,010	546,933	665,813
TOTAL ASSETS		529,636	567,911	689,674
CURRENT LIABILITIES				
Payables		6,500	5,785	5,609
Employee benefits obligations		1,052	1,102	1,102
Interest-bearing liabilities and derivatives		3,000	3,142	3,142
Provisions		889	983	1,060
Other		4,026	4,597	4,067
Total current liabilities		15,467	15,609	14,980
NON-CURRENT LIABILITIES				
Payables		..	..	..
Employee benefits obligations		..	..	..
Interest-bearing liabilities and derivatives	19, 23	31,016	31,472	28,362
Provisions		798	832	864
Other		..	..	..
Total non-current liabilities		31,814	32,304	29,226
TOTAL LIABILITIES		47,281	47,913	44,206
NET ASSETS/(LIABILITIES)		482,355	519,998	645,468
EQUITY				
Capital/contributed equity		291,624	291,624	291,624
Retained surplus/(Accumulated deficit)		(77,191)	(53,498)	46,380
Reserves:				
- Asset revaluation reserve		267,922	281,872	307,464
- Other (specify)		..	..	..
TOTAL EQUITY		482,355	519,998	645,468

Cash Flow Statement

South Bank Corporation	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges		62,475	57,100	65,726
Grants and other contributions		10,025	36,755	89,195
Other		4,297	4,139	4,127
Outflows:				
Employee costs		(22,026)	(23,562)	(24,357)
Supplies and services		(35,475)	(30,850)	(29,727)
Grants and subsidies		..	..	..
Borrowing costs		(2,122)	(2,047)	(2,254)
Other		(4,000)	(4,000)	(4,000)
Net cash provided by/(used in) operating activities		13,174	37,535	98,710
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	24,25,26	(11,519)	(38,249)	(90,798)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		(11,519)	(38,249)	(90,798)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		(3,089)	(3,089)	(3,110)
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		(3,089)	(3,089)	(3,110)
Net increase/(decrease) in cash held		(1,434)	(3,803)	4,802
Cash at the beginning of financial year		10,511	19,723	15,920
Cash transfers from restructure		..	..	..
Cash at the end of financial year		9,077	15,920	20,722

Explanation of Variances in the Financial Statements

Income Statement

Major variations between 2007-08 Budget and 2007-08 Estimated Actual include:

1. An increase in Grants and other contributions relating to increased state contributions for the Brisbane Convention and Exhibition Centre expansion and stormwater harvesting projects.
2. An increase in Other revenue being interest income from higher cash balances and higher interest rates.
3. A decrease in Supplies and services mainly due to changes in the timing of recognition of land sales costs.
4. A decrease in Depreciation and amortisation due to changes in expected useful lives of assets.

Major variations between 2007-08 Budget and 2008-09 Estimate include:

5. An increase in User charges primarily due to additional revenue from the sale of development land.
6. Increase in Grants and other contributions relating to increased state contributions for the Brisbane Convention and Exhibition Centre expansion and stormwater harvesting projects.
7. An increase in Other revenue being interest income from higher cash balances and higher interest rates.
8. A decrease in Depreciation and amortisation due to changes in expected useful lives of assets.

Major variations between 2007-08 Estimated Actual and the 2008-09 Estimate include:

9. An increase in User charges primarily due to additional revenue from the sale of development land.
10. Increase in Grants and other contributions relating to increased state contributions for the Brisbane Convention and Exhibition Centre expansion and stormwater harvesting projects.

Balance Sheet

Major variations between 2007-08 Budget and 2007-08 Estimated Actual include:

11. An increase in Cash assets due to better than forecast opening cash balances.
12. An increase in Other current assets due to an increase in prepayments made.
13. An increase in Property, plant and equipment primarily due to work in progress on the expansion of the Brisbane Convention and Exhibition Centre, and the revaluation of land and buildings.
14. An increase in Other non-current assets due to additional holding costs and the timing of development land sales.

Major variations between 2007-08 Budget and 2008-09 Estimate include:

15. An increase in Cash assets mainly due to development land sales.
16. An increase in Other current assets due to an increase in prepayments made.
17. A decrease in Non-financial assets held for sale due to the timing of development land sales.
18. An increase in Property, plant and equipment primarily due to work in progress on the expansion of the Brisbane Convention and Exhibition Centre, and the revaluation of land and buildings.
19. A decrease in Interest-bearing liabilities and derivatives due to loan repayments.

Major variations between 2007-08 Estimated Actual and the 2008-09 Estimate include:

20. An increase in Cash assets mainly due to development land sales.
21. A decrease in Non-financial assets held for sale due to the timing of development land sales.
22. An increase in Property, plant and equipment primarily due to work in progress on the expansion of the Brisbane Convention and Exhibition Centre, and the revaluation of land and buildings.
23. A decrease in Interest-bearing liabilities and derivatives due to loan repayments.

Cash Flow Statement

Major variations between 2007-08 Budget and 2007-08 Estimated Actual include:

24. An increase in Outflows for Payments for property, plant and equipment due to expansion of the Brisbane Convention and Exhibition Centre.

Major variations between 2007-08 Budget and 2008-09 Estimate include:

25. An increase in Outflows for Payments for property, plant and equipment due to expansion of the Brisbane Convention and Exhibition Centre.

Major variations between 2007-08 Estimated Actual and the 2008-09 Estimate include:

26. An increase in Outflows for Payments for property, plant and equipment due to expansion of the Brisbane Convention and Exhibition Centre.