

# PART 12

## Minister for Police, Corrective Services and Sport

### Summary of Portfolio Budgets

Page	Agency	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
2-254	Department of Police - controlled	1,437,088	1,446,806	1,570,994
	Department of Police - administered	405	405	420
2-275	Department of Corrective Services - controlled	487,018	510,219	511,190
2-290	Sport	136,707	134,619	152,219
2-299	Prostitution Licensing Authority	1,362	1,086	1,389

Notes:

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

# Department of Police

## Departmental Overview

### Strategic Issues

The mission of the Queensland Police Service (QPS) is to serve the people of Queensland by protecting life and property, preserving peace and safety, preventing crime and upholding the law in a manner which has regard for the public good and the rights of the individual.

The QPS is addressing a number of unique challenges and opportunities in order to continue achieving this mission across our State of some 1.73 million square kilometres. Queensland is Australia's fastest growing State, the Government is ensuring the QPS has the resources to provide highly visible, effective and responsive services into the future.

These resources are enabling the QPS to develop flexible and innovative approaches to the demographic challenges presented by the increasing concentration of people along our eastern seaboard. Similarly, our service delivery is being strategically positioned to address challenges and opportunities such as those presented by Queensland's growing ethnic diversity, globalisation, and climate change.

In the context of these challenges and opportunities, the QPS' key priorities for 2008-09 include:

- Delivering Core Services such as community policing
- Efficient, Innovative, Well-Planned Service Delivery
- Information and Communications Technology
- Police Academy Project 2012 (Westgate)
- Policing Indigenous Communities
- Road Safety
- Vulnerable Persons and the Criminal Justice System
- Drugs, Alcohol and Substance Misuse and Links to Offending
- Major and Organised Crime

### 2008-09 Highlights

The 2008-09 Budget of \$1.571 billion will ensure the effective delivery of core policing services to the Queensland community—more police officers, new police facilities and equipment, better technology to fight crime, and improvements to road safety.

The current position of the Queensland Police Service is the best it has been for many years. Our police to population ratio is better than the national average. This year the Government will provide an extra 200 new police positions at a cost of \$18.3 million (including non-labour costs). By October 2009, the QPS will have over 10,100 police officers helping keep Queensland safe. In addition, we have more civilian staff members who support our police officers than most other states in Australia.

Police must have modern facilities in which to work. The QPS' capital works budget for 2008-09 of \$142 million will fund a number of important infrastructure projects to address population growth and improve service delivery including:

- \$8.6 million towards the construction of the Burpengary Station and district support facility;
- \$7.3 million towards the construction of the Coomera District Office;
- \$11.8 million towards the replacement station at Ipswich; and
- \$8.6 million towards the replacement station at Fortitude Valley (including the heritage building refurbishment).

The QPS is progressing a \$450 million project that will deliver a state of the art Police Academy at Wacol by 2012. This will help position us to meet the challenges of modern day policing. The Academy will be built on a 106 hectare site and will have an educational and an operational precinct to support training in the latest investigative techniques and technologies.

Additional capital investment has been provided this year to maintain and enhance frontline capability, including:

- \$52.2 million to support the purchase of other plant and equipment (including motor vehicles); and
- \$6.4 million for water vessel purchases, upgrades, and outfitting.

The Government is committed to providing operational equipment to enable police to do their job safely and effectively. Conducted Energy Devices (commonly referred to as 'tasers') will be rolled out progressively throughout the State during the year. The QPS is committed to having suitably trained officers with access to tasers throughout the State within the first twelve months of the roll-out. These devices help reduce assaults on police and protect the public from dangerous or violent offenders, while also reducing the chance of harm to offenders themselves.

Ongoing funding of \$84.8 million for information technology will ensure Queensland police are at the cutting edge in fighting crime. \$36.4 million operating funding and \$48.4 million capital funding will be provided for a range of initiatives, including:

- continuing the Public Safety Network project to provide a faster, more reliable shared data network across the State;
- implementing QPRIME Phase 2.2 and completing the final stage, ensuring a single, integrated operational policing system for managing and recording all aspects of crime incidents statewide;
- progressing Policelink to allow members of the public to easily contact the QPS; and
- decommissioning analysis and data archiving as part of the Legacy Migration Program.

Road safety remains a key priority. The Government has provided \$22.2 million to reduce the tragic loss of life on Queensland roads, including:

- funding of \$15.3 million (\$13.8 million operating funding and \$1.5 million capital funding) to deliver a total of 70,080 hours of mobile speed camera operations and continue the operation of red light and fixed speed cameras during 2008-09; and
- \$6.9 million in operating funding to provide 72,000 officer hours for on-road enforcement.

Policing services for Indigenous communities will be improved through additional staff and better infrastructure. In addition to Queensland funding of \$3 million, Federal Government funding of \$12 million will help Queensland build new police houses in the remote communities of Aurukun, Mornington Island, Woorabinda, Lockhart River, Pormpuraaw and Doomadgee by 2009-10.

The Government will complete the acquisition of an additional aircraft at a cost of \$2.2 million to improve policing in the Torres Strait. The aircraft and its team will also be able to provide assistance in search and rescue operations.

Queensland police help protect our most vulnerable members of society—children. Highly trained Task Force Argos detectives will be supported through an upgrade to their computer networks. Amongst other things, Argos officers will continue their successful *surf safely* project to warn about the dangers of surfing the Internet.

Following on from the success of Australia's first National Symposium on Nigerian Fraud, the Service will conduct a Hi Tech Crime and Digital Recovery Conference and Fraud Investigation Training Symposium.

## **2007-08 Achievements**

In 2007-08, the Government funded police with a record budget of \$1.437 billion.

Police numbers are increasing each year and by October 2008 there will be over 9,900 sworn officers. The QPS' civilianisation strategy has complemented this by releasing officers for frontline policing to the community. Since 2005-06, the QPS has employed over 300 staff members under the civilianisation program in roles such as watchhouse, counter and administrative support.

As part of a total Capital budget of \$258 million, capital works funding of \$102.3 million allowed for the continuation of 52 capital projects, including completion of the Caboolture District Office and Watchhouse, Macleay Island and Russell Island Police Stations, and a police beat at the Strand in Townsville. The QPS also commenced construction of new stations at Ayr, Charleville, North Lakes/Mango Hill, Stuart, Wujal Wujal, and a new watchhouse at Strathpine. Several upgrades and refurbishments to existing stations have also been undertaken.

The QPS' first mobile police station became operational in 2008, for use in major incidents and operations. The vehicle is equipped with the latest technology including computers, satellite phone and radio systems allowing direct communications to other emergency services, marine vessels and aircraft. The vehicle will provide police with an excellent platform from which to operate, and will also ensure a highly visible police presence to assist in managing crowd behaviour.

The QPS' water police capabilities were strengthened through the receipt of four new vessels and the re-fitting and re-powering of three vessels. Three other vessels have also been purchased and are expected to be delivered by July 2008.

The *Child Protection (Offender Prohibition Order) Act* 2008 was passed by State Parliament, strengthening the laws dealing with convicted paedophiles. The Act allows police to more closely monitor such people and impose restrictions on their movements, if they are engaging in activity that could pose a risk to the lives or sexual safety of children.

An innovative 'One Punch Can Kill' campaign was launched on 17 December on the recommendation of the Government's Youth Violence Task Force. The One Punch Can Kill slogan aims to reach Generation Y with the message that a simple act of violence can ruin many lives.

The Government's commitment to install Closed Circuit Television surveillance systems in all police facilities and watchhouses that are in Indigenous communities was completed at a cost of \$6.4 million in capital funding and \$0.5 million in operating funding. The upgrades are designed to ensure more effective monitoring of the health and safety of people in custody.

The QPS has continued to undertake controlled and intelligence driven operations and investigations to combat organised crime. The QPS also engaged with other law enforcement agencies, such as the Australian Crime Commission, Australian Federal Police and interstate policing agencies, to combat significant criminal networks within Queensland, Australia and overseas. These initiatives act to prevent organised crime gaining a foothold in the Queensland community.

In 2007-08, the Government focussed on a range of initiatives to reduce the incidence of road trauma.

- **Unmarked Q-Cars** were trialled over the Christmas and New Year period, sending a message to offenders that they could be caught anytime, anywhere. In 66 days, the Q-Cars travelled 23,777 kilometres and detected 1,255 offences including 562 speeding offences, 173 mobile phone offences and 67 seat belt offences. Two Q-cars are being rolled out in response to the successful trial, adding to the effectiveness of high visibility patrols.
- **Fixed speed cameras** became operational at Burpengary and Kangaroo Point in December 2007 and at Tarragindi in February 2008. Since their deployment, the number of speeding drivers at these sites has fallen. The cameras are encouraging people to slow down to prevent crashes.
- New **vehicle confiscation laws** are helping police crack down on reckless drivers who put the lives of other Queenslanders at risk. On 1 July 2007, police officers were given the legal authority to seize the vehicles of recidivist drink drivers, unlicensed and disqualified drivers and drivers of unregistered and illegally modified vehicles. As at 31 March 2008, 975 vehicles had been impounded in the North Coast, Southern and South Eastern Regions, predominantly for unlicensed and disqualified driving.
- Police are taking a zero tolerance approach to people who recklessly take drugs and get behind the wheel. The **Roadside Drug Testing Unit** became operational on 1 December 2007. Between 1 December 2007 and 1 April 2008, 3,575 roadside drug tests were conducted in Central, North Coast, Metropolitan North, Metropolitan South, Southern and South Eastern Regions. A total of 42 positive samples were detected during this period.

## **Departmental Outputs**

The provision of policing services is primarily linked to the achievement of the Government priority 'Fostering Healthy Individuals and Communities'. Within the Queensland Police Service Strategic Plan, four outputs support this Queensland Government priority.

### **Community Safety and Engagement**

This output covers activities directed towards preventing crime, engaging the community and providing policing services that preserve public safety and good order during civil emergencies and special events.

### **Crime Management**

Activities reported under the Crime Management output include the policing response to general crime and other calls for assistance from members of the public. Crime Management also includes crime operations and criminal investigations conducted throughout the State by specialist officers, typically targeting large-scale offences.

### **Traffic Management**

Traffic Management includes both proactive and reactive traffic policing operations. These operations are intended to prevent or detect motorists committing traffic offences.

### **Professional Standards and Ethical Practices**

This output describes services that ensure Queensland has a police service which is professional and accountable. The services provided include training, internal investigations, audit, risk management, strategic planning and review, and integrated policy development.

## Staffing<sup>1</sup>

Output	Notes	2007-08 Budget	2007-08 Est. Actual	2008-09 Estimate
<b>Outputs</b>	2,3,4			
Community Safety and Engagement		4,094	4,179	4,239
Crime Management		4,621	4,448	4,513
Traffic Management		2,758	2,696	2,735
Professional Standards and Ethical Practice		2,173	2,157	2,188
<b>Total outputs</b>		<b>13,646</b>	<b>13,480</b>	<b>13,675</b>
<b>Total</b>	<b>5</b>	<b>13,646</b>	<b>13,480</b>	<b>13,675</b>

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. The allocation of resources is guided by the results of the QPS' activity based costing methodology, the *State-wide Activity Survey*.
3. The allocation of staffing across outputs does not reflect the allocation of resources directed towards significant operational activities including public safety events, major criminal investigations and road safety campaigns conducted outside the *State-wide Activity Survey* period. For example, significant policing resources are deployed during the Christmas and Easter periods to enhance road safety, and these resources are not captured by the *State-wide Activity Survey*.
4. Corporate FTEs are allocated across the outputs to which they relate.
5. While the above table describes FTEs, it should be noted that for 2007-08, the estimated actual number of staff is 13,893 including 9,858 police officers.

## 2008-09 Output Summary<sup>1</sup>

Output	Total cost \$'000	Sources of revenue			
		Appropriation \$'000	User charges \$'000	C'wealth revenue \$'000	Other revenue \$'000
Community Safety and Engagement	487,008	472,573	8,686	..	5,749
Crime Management	502,718	487,817	8,966	..	5,935
Traffic Management	314,199	304,886	5,604	..	3,709
Professional Standards and Ethical Practices	267,069	259,153	4,763	..	3,153
<b>Total</b>	<b>1,570,994</b>	<b>1,524,429</b>	<b>28,019</b>	<b>..</b>	<b>18,546</b>

Note:

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

# **Administered Items**

## **Description**

Three programs were administered through the QPS during the 2007-08 financial year:

- the national approach to the Gun Buyback Scheme weapons compensation payments as per the agreement, reached in 1996, by Police Ministers attending the Australasian Police Ministers' Council
- the national approach to the Handgun Buyback compensation as per the December 2002 Council of Australian Governments agreement
- the Prostitution Licensing Authority.

## **Review of Output Performance**

### **Recent Achievements**

The Gun Buyback Compensation Scheme commenced in 1996-97. The costs were met by the Australian Government for the weapons prohibited and returned in Queensland. This scheme has generally concluded, however, there are still compensation payments awaiting legal outcomes.

The Handgun Buyback Compensation Program commenced in 2003-04. The costs were met by both the Australian Government and the State for the handguns prohibited and returned in Queensland. This scheme has generally concluded, however, it is awaiting the outcome of a Judicial Review.

The full year allocation for 2007-08 for the operation of the Prostitution Licensing Authority allowed for the continuing operating and legal costs of the Authority.

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



# Departmental Statements

## Performance Statement

Measures	Notes	2007-08 Target/Est.	2007-08 Est. Actual	2008-09 Target/Est.
<b>Output name: Community Safety and Engagement</b>				
Percentage of resources allocated to this output	1	30%	31%	31%
Rate of unreported offences	2			
Break and Enter		25%-35%	34.3%	25%-35%
Attempted Break and Enter		65%-75%	68.2%	65%-75%
Motor Vehicle theft		10%-20%	16.9%	10%-20%
Robbery/attempted robbery	3	...	...	Discontinued
Assault/attempted assault		65%-75%	67.6%	65%-75%
Level of community satisfaction with police generally	4	70%-80%	67.2%	70%-80%
Perceived level of personal safety and property security				
a) Persons feeling safe in the following situation (safe and very safe)	4			
- home alone		85%-95%	89.7%	85%-95%
- walking/jogging locally		65%-75%	74.7%	70%-80%
- travelling on public transport		40%-50%	51.3%	45%-55%
b) Public perceptions about problems in the neighbourhood (major problem or somewhat a problem)	4			
- housebreaking		55%-65%	52.4%	55%-65%
- motor vehicle theft		35%-45%	35.6%	35%-45%
- graffiti or other vandalism		35%-45%	42.8%	35%-45%
Satisfaction with police support for community programs	4	70%-80%	67%	70%-80%
Percentage of persons concerned about being a victim of	4			
- Physical Assault		45%-55%	43.2%	40%-50%
- Sexual Assault		30%-40%	24.4%	20%-30%
- Housebreaking		55%-65%	56.4%	55%-65%
- Motor vehicle theft		55%-65%	43.9%	40%-50%
Good order offences detected	5,6			
- Number detected		41,000-45,000	48,314	47,000-51,000
- Rate detected		1,000-1,100	1,170	1,100-1,200
Level of community satisfaction with police dealing with public order problems	4	50%-60%	54.7%	50%-60%
<b>State contribution (\$000)</b>	1	<b>413,403</b>	<b>428,938</b>	<b>472,573</b>
<b>Other revenue (\$000)</b>		<b>12,566</b>	<b>19,572</b>	<b>14,435</b>
<b>Total cost (\$000)</b>		<b>425,969</b>	<b>448,510</b>	<b>487,008</b>

Measures	Notes	2007-08 Target/Est.	2007-08 Est. Actual	2008-09 Target/Est.
<b>Output name: Crime Management</b>				
Percentage of resources allocated to this output	1	33%	32%	32%
Number of personal safety offences reported	5,7			
Homicide		160-190	152	150-180
Assault		18,000-21,000	19,217	18,000-21,000
Sexual Assault		5,000-6,500	7,052	6,000-7,500
Robbery		1,700-2,000	1,715	1,700-2,000
Total personal safety		30,000-34,000	31,815	30,000-34,000
Number of personal safety offences cleared	5,7,8			
Homicide		150-230	152	110-190
Assault		15,000-19,000	15,149	14,000-18,000
Sexual Assault		5,000-6,000	6,144	5,500-6,500
Robbery		950-1,200	918	900-1,150
Total personal safety		27,000-32,000	24,879	23,000-28,000
Number of personal safety offences reported and cleared in the period	5,7,9			
Homicide		130-175	135	130-175
Assault		14,000-16,000	13,338	13,000-15,000
Sexual Assault		4,000-5,500	4,965	4,000-5,500
Robbery		800-900	831	800-900
Total personal safety		22,000-26,000	21,359	20,000-24,000
Number of property security offences reported	5,10			
Unlawful entry		45,000-55,000	45,113	45,000-55,000
Other property damage		40,000-50,000	42,783	40,000-50,000
Motor vehicle theft	11	11,000-14,000	10,118	9,000-12,000
Other theft (excl unlawful entry)		85,000-95,000	78,413	75,000-85,000
Total property security		220,000-260,000	202,748	190,000-230,000
Number of property security offences cleared	5,8,10			
Unlawful entry		11,500-14,000	10,754	10,500-13,000
Other property damage		13,000-16,000	13,443	13,000-16,000
Motor vehicle theft	11	3,500-4,500	3,417	3,000-4,000
Other theft (excl unlawful entry)		27,000-32,000	23,591	22,000-27,000
Total property security		82,000-97,000	72,087	70,000-85,000
Number of property security offences reported and cleared in the period	5,9,10			
Unlawful entry		8,500-10,500	8,283	8,000-10,000
Other property damage		11,500-13,500	11,834	11,500-13,500
Motor vehicle theft	11	3,000-3,800	2,750	2,500-3,300
Other theft (excl unlawful entry)		22,000-28,000	20,561	17,500-23,500
Total property security		68,000-75,000	60,593	58,000-65,000
Public satisfaction with initial police response	12	80%-90%	87.2%	80%-90%
Public satisfaction with police response from specialist officers	12	80%-90%	89.4%	85%-95%

Measures	Notes	2007-08 Target/Est.	2007-08 Est. Actual	2008-09 Target/Est.
Satisfaction of members of the public who had contact with police in the last twelve months	4	75%-85%	81.2%	75%-85%
<b>State contribution (\$000)</b>	1	<b>467,039</b>	<b>442,774</b>	<b>487,817</b>
<b>Other revenue (\$000)</b>		<b>13,890</b>	<b>20,204</b>	<b>14,901</b>
<b>Total cost (\$000)</b>		<b>480,929</b>	<b>462,978</b>	<b>502,718</b>

#### Output name: Traffic Management

Percentage of resources allocated to this output	1	21%	20%	20%
Number of vehicles monitored per offences for:	13,14			
Speed Cameras		130-160:1	124:1	100-130:1
Red Light Cameras		1,400-1,700:1	1,739:1	1,600-1,900:1
Number and rate (per 100,000) of road crash fatalities by crash causal factor	13,15			
Total	16	290-370	360(8.60)	300-350
Speed			95(2.27)	
Alcohol			95(2.27)	
Fatigue			65(1.55)	
Seatbelt			35(0.84)	
Pedestrians			42(1.00)	
Number and rate (per 100,000) of reportable crashes by crash causal factor	17	21,000-24,000	Unavailable	21,000-24,000
Total				
Speed				
Alcohol				
Fatigue				
Pedestrians				
Number and rate (per 100,000) of persons hospitalised following a crash	13,15	5,500-6,500	3,768 (90.10)	5,500-6,500
<b>State contribution (\$000)</b>	1	<b>289,259</b>	<b>276,734</b>	<b>304,886</b>
<b>Other revenue (\$000)</b>		<b>8,667</b>	<b>12,627</b>	<b>9,313</b>
<b>Total cost (\$000)</b>		<b>297,926</b>	<b>289,361</b>	<b>314,199</b>

#### Output name: Professional Standards and Ethical Practice

Percentage of resources allocated to this output	1	16%	17%	17%
Hours directed towards in-service training	18	2.2-2.6 million	2,157,340	2.2-2.6 million
Number, rate (per 1,000 officers) and percentage change in rate of complaints against police	19	2,000-2,300	2,201 (228.84) 2.86%	2,100-2,400
Public perception of police professionalism and image:	4			
- Police perform job professionally		75%-85%	81.2%	75%-85%
- Police treat people fairly and equally		60%-70%	68.3%	60%-70%
- Most police are honest		70%-80%	79.0%	75%-85%
- Have confidence in police		75%-85%	83.0%	75%-85%

Measures	Notes	2007-08 Target/Est.	2007-08 Est. Actual	2008-09 Target/Est.
Meeting Government targets on police numbers	20,21	9,928	9,928	10,128
<b>State contribution (\$000)</b>	<b>1</b>	<b>223,206</b>	<b>235,224</b>	<b>259,153</b>
<b>Other revenue (\$000)</b>		<b>9,058</b>	<b>10,733</b>	<b>7,916</b>
<b>Total cost (\$000)</b>		<b>232,264</b>	<b>245,957</b>	<b>267,069</b>

Notes:

1. The allocation of resources is guided by the results of the QPS' activity based costing methodology, the *State-wide Activity Survey*.
2. Derived from the *Australian Bureau of Statistics Crime and Safety Survey 2005*.
3. Measure is discontinued as the *Australian Bureau of Statistics Crime and Safety Survey 2005* does not record the rate of Unreported Robbery/Attempted Robbery offences at a state level.
4. Derived from the *National Survey of Community Satisfaction with Policing* January 2007 to December 2007.
5. Due to timeframes for the 2008-09 Budget, it is not possible to provide data for the full 2007-08 financial year. Data are based on an estimation of July 2007-February 2008 statistics. These figures will vary from statistics calculated using mid-year data.
6. Good order offences include offences relating to public nuisance, obstruct police, fare evasion and other offences against good order. The rate of offences refers to the number of offences per 100,000 population.
7. The offence categories reported separately are those classified as 'violent' crimes and are the most significant personal safety offence categories in terms of their impact on the community. The 'Total Personal Safety' offences figure also includes the offence categories of extortion, kidnapping, abduction and deprivation of liberty and other offences against the person. Homicide includes the offence categories of murder, attempted murder, conspiracy to murder, manslaughter and driving causing death.
8. The number of offences cleared relates to the total number of offences cleared in the period regardless of when they were reported.
9. The number of offences reported and cleared within the period relates to offences both reported and cleared in the same timeframe.
10. The offence categories reported separately are classified as high volume property security offences. The total property security offences figures also include the offence categories of arson, fraud and handling stolen goods. The offence category 'Other Theft' (excluding unlawful entry) was previously known as stealing.
11. The offence category relates to Unlawful Use of a Motor Vehicle.
12. Derived from the *Queensland Police Service Crime Victims Survey 2006*.
13. Due to the timeframes for the 2008-09 Budget, it is not possible to provide traffic data for the full 2007-08 financial year. Rather, reported traffic data are provided for the 2007 calendar year to allow for seasonal variation in the data and to ensure the data are comparable with other annual periods.
14. The significant change to the projected number of vehicles monitored by speed cameras per offence detected in 2008-09 is a result of the predicted impact of new speed camera technology.
15. Crash data extracted on 9 April 2008 and should be viewed as preliminary and subject to change. It should be noted that the significant variation in reportable crashes is predominately attributable to delays in crash data processing associated with the implementation of QPRIME, and the associated transfer of data with Queensland Transport.
16. A fatality may be related to multiple causal factors or causal factors not included in this report. As a result, the total reported causal factors do not equal the number of fatalities (360).
17. Information is currently unavailable due to data integrity issues.
18. Due to the timeframes for the 2008-09 Budget, it is not possible to provide training data for the full 2007-08 financial year. Data are based on an estimation of July 2007 – December 2007 statistics.
19. Due to the timeframes for the 2008-09 Budget, it is not possible to provide complaints data for the full 2007-08 financial year. Rather, reported complaints data are provided for the 2007 calendar year to allow for seasonal variation in the data and to ensure the data are comparable with other annual periods. Complaints data includes police and staff members.
20. Figures are based on 2008 and 2009 estimates. These figures are affected by separation rates and the number of officers inducted into the QPS.
21. These figures include police recruits who are due to be inducted as sworn officers by October of each year.

## Income Statement

Department of Police	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
<b>Income</b>				
Output revenue	1,9,15	1,392,907	1,383,670	1,524,429
User charges	2,10,16	25,635	38,090	28,019
Grants and other contributions	3,17	14,229	20,729	14,229
Other revenue		2,317	2,317	2,317
Gains on sale/revaluation of property, plant and equipment and investments		2,000	2,000	2,000
<b>Total income</b>		<b>1,437,088</b>	<b>1,446,806</b>	<b>1,570,994</b>
<b>Expenses</b>				
Employee expenses	4,11,18	1,080,527	1,110,121	1,185,739
Supplies and services	5,12,19	269,680	241,450	289,334
Grants and subsidies	6,13	1,247	3,082	3,082
Depreciation and amortisation	7,14,20	68,574	69,577	76,738
Finance/borrowing costs		..	..	..
Other expenses	8,21	15,060	20,576	14,101
Losses on sale/revaluation of property, plant and equipment and investments		2,000	2,000	2,000
<b>Total expenses</b>		<b>1,437,088</b>	<b>1,446,806</b>	<b>1,570,994</b>
<b>OPERATING SURPLUS /(DEFICIT)</b>		<b>..</b>	<b>..</b>	<b>..</b>

## Statement of Changes in Equity

Department of Police	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	23,25	72,778	72,778	99,566
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
<b>Net income recognised directly in equity</b>		<b>72,778</b>	<b>72,778</b>	<b>99,566</b>
Surplus/(deficit) for the period		..	..	..
<b>Total recognised income and expense for the period</b>		<b>72,778</b>	<b>72,778</b>	<b>99,566</b>
Equity injection/(withdrawal)	22,24,26	156,832	110,801	181,637
Equity adjustments (MoG transfers)		..	..	..
<b>Total movement in equity for period</b>		<b>229,610</b>	<b>183,579</b>	<b>281,203</b>

## Balance Sheet

Department of Police	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
<b>CURRENT ASSETS</b>				
Cash assets	27,34	74,740	95,817	95,250
Receivables		20,605	18,212	18,212
Other financial assets		..	..	..
Inventories		3,029	3,195	3,195
Other		3,691	6,264	6,264
Non-financial assets held for sale		3,347	4,406	4,406
<b>Total current assets</b>		<b>105,412</b>	<b>127,894</b>	<b>127,327</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	28,35,40	1,673,466	1,647,089	1,920,305
Intangibles	29,41	53,850	43,228	51,782
Other		..	..	..
<b>Total non-current assets</b>		<b>1,727,316</b>	<b>1,690,317</b>	<b>1,972,087</b>
<b>TOTAL ASSETS</b>		<b>1,832,728</b>	<b>1,818,211</b>	<b>2,099,414</b>
<b>CURRENT LIABILITIES</b>				
Payables		56,733	51,175	51,175
Employee benefit obligations	30,36	111,896	118,137	118,137
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	31,37	4,269	8,043	8,043
<b>Total current liabilities</b>		<b>172,898</b>	<b>177,355</b>	<b>177,355</b>
<b>NON-CURRENT LIABILITIES</b>				
Payables		..	..	..
Employee benefits obligations		4,485	6,066	6,066
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
<b>Total non-current liabilities</b>		<b>4,485</b>	<b>6,066</b>	<b>6,066</b>
<b>TOTAL LIABILITIES</b>		<b>177,383</b>	<b>183,421</b>	<b>183,421</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>1,655,345</b>	<b>1,634,790</b>	<b>1,915,993</b>
<b>EQUITY</b>				
Capital/contributed equity	32,38,42	555,746	482,117	663,754
Retained surplus/(accumulated deficit)		376,309	379,331	379,331
Reserves:				
- Asset revaluation reserve	33,39,43	723,290	773,342	872,908
- Other (specify)		..	..	..
<b>TOTAL EQUITY</b>		<b>1,655,345</b>	<b>1,634,790</b>	<b>1,915,993</b>

## Cash Flow Statement

Department of Police	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
Output receipts	44,51,59	1,387,907	1,365,288	1,524,429
User charges	45,52,60	25,635	38,090	28,019
Grants and other contributions		2,229	2,229	2,229
Other		2,317	2,317	2,317
<b>Outflows:</b>				
Employee costs	46,53,61	(1,080,527)	(1,110,121)	(1,185,739)
Supplies and services	47,54,62	(258,930)	(241,450)	(289,334)
Grants and subsidies		(1,247)	(3,082)	(3,082)
Borrowing costs		..	..	..
Other	48,55	(13,810)	(2,076)	(2,101)
<b>Net cash provided by/(used in) operating activities</b>		<b>63,574</b>	<b>51,195</b>	<b>76,738</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Inflows:</b>				
Sales of property, plant and equipment		24,500	24,500	24,500
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
<b>Outflows:</b>				
Payments for property, plant and equipment and intangibles	49,56,63	(258,021)	(212,993)	(283,442)
Payments for investments		..	..	..
Loans and advances made		..	..	..
<b>Net cash provided by/(used in) investing activities</b>		<b>(233,521)</b>	<b>(188,493)</b>	<b>(258,942)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		..	..	..
Equity injections	50,57,64	184,532	140,810	203,363
<b>Outflows:</b>				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	58,65	(26,373)	(26,373)	(21,726)
<b>Net cash provided by/(used in) financing activities</b>		<b>158,159</b>	<b>114,437</b>	<b>181,637</b>
<b>Net increase/(decrease) in cash held</b>		<b>(11,788)</b>	<b>(22,861)</b>	<b>(567)</b>
<b>Cash at the beginning of financial year</b>		<b>86,528</b>	<b>118,678</b>	<b>95,817</b>
Cash transfers from restructure		..	..	..
<b>Cash at the end of financial year</b>		<b>74,740</b>	<b>95,817</b>	<b>95,250</b>

## Income Statement

<b>EXPENSES AND REVENUES ADMINISTERED ON BEHALF OF THE WHOLE-OF- GOVERNMENT</b>	<b>Notes</b>	<b>2007-08 Budget \$'000</b>	<b>2007-08 Est. Act. \$'000</b>	<b>2008-09 Estimate \$'000</b>
<b>Revenues</b>				
Commonwealth grants		..	..	..
Taxes, fees and fines	1,3	1,583	3,927	4,035
Royalties, property income and other territorial revenue		..	..	..
Interest		..	..	..
Administered revenue		405	405	420
Other		440	440	440
<b>Total revenues</b>		<b>2,428</b>	<b>4,772</b>	<b>4,895</b>
<b>Expenses</b>				
Supplies and services		..	..	..
Depreciation and amortisation				
Grants and subsidies		405	405	420
Benefit payments				
Borrowing costs		..	..	..
Other		..	..	..
<b>Total expenses</b>		<b>405</b>	<b>405</b>	<b>420</b>
<b>Net surplus or deficit before transfers to Government</b>		<b>2,023</b>	<b>4,367</b>	<b>4,475</b>
<b>Transfers of administered revenue to Government</b>	2,4	<b>2,023</b>	<b>4,367</b>	<b>4,475</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>..</b>	<b>..</b>	<b>..</b>



## Balance Sheet

<b>ASSETS AND LIABILITIES ADMINISTERED ON BEHALF OF THE WHOLE-OF- GOVERNMENT</b>	<b>Notes</b>	<b>2007-08 Budget \$'000</b>	<b>2007-08 Est. Act. \$'000</b>	<b>2008-09 Estimate \$'000</b>
<b>CURRENT ASSETS</b>				
Cash assets		2,595	2,649	2,649
Receivables		2	5	5
Inventories				
Other		..	..	..
Non-financial assets held for sale		..	..	..
<b>Total current assets</b>		<b>2,597</b>	<b>2,654</b>	<b>2,654</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		..	..	..
Intangibles		..	..	..
Other		..	..	..
<b>Total non-current assets</b>		<b>..</b>	<b>..</b>	<b>..</b>
<b>TOTAL ADMINISTERED ASSETS</b>		<b>2,597</b>	<b>2,654</b>	<b>2,654</b>
<b>CURRENT LIABILITIES</b>				
Payables		..	201	201
Transfers to Government payable		132	..	..
Interest-bearing liabilities		..	..	..
Other		2,465	2,453	2,453
<b>Total current liabilities</b>		<b>2,597</b>	<b>2,654</b>	<b>2,654</b>
<b>NON-CURRENT LIABILITIES</b>				
Payables		..	..	..
Interest-bearing liabilities		..	..	..
Other		..	..	..
<b>Total non-current liabilities</b>		<b>..</b>	<b>..</b>	<b>..</b>
<b>TOTAL ADMINISTERED LIABILITIES</b>		<b>2,597</b>	<b>2,654</b>	<b>2,654</b>
<b>ADMINISTERED NET ASSETS/(LIABILITIES)</b>				
<b>EQUITY</b>				
Capital/Contributed equity		..	..	..
Retained surplus/(Accumulated deficit)		..	..	..
Reserves:		..	..	..
- Asset revaluation reserve		..	..	..
- Other (specify)		..	..	..
<b>TOTAL ADMINISTERED EQUITY</b>		<b>..</b>	<b>..</b>	<b>..</b>

## Cash Flow Statement

<b>CASH FLOWS ADMINISTERED ON BEHALF OF THE WHOLE-OF-GOVERNMENT</b>	<b>Notes</b>	<b>2007-08 Budget \$'000</b>	<b>2007-08 Est. Act. \$'000</b>	<b>2008-09 Estimate \$'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
Administered item receipts		405	405	420
Grants and other contributions		..	..	..
Taxes, fees and fines	5,7	1,583	3,927	4,035
Royalties, property income and other territorial revenues		..	..	..
Other		440	440	440
<b>Outflows:</b>				
Transfers to Government	6,8	(2,023)	(4,367)	(4,475)
Grants and subsidies		(405)	(405)	(420)
Supplies and services		..	..	..
Borrowing costs		..	..	..
Other		..	..	..
<b>Net cash provided by/(used in) operating activities</b>		..	..	..
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Inflows:</b>				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
<b>Outflows:</b>				
Payments for property, plant and equipment and intangibles		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
<b>Net cash provided by/(used in) investing activities</b>		..	..	..
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		..	..	..
Equity injections		..	..	..
<b>Outflows:</b>				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
<b>Net cash provided by/(used in) financing activities</b>		..	..	..
<b>Net increase/(decrease) in cash held</b>		..	..	..
<b>Administered cash at beginning of financial year</b>		2,595	2,649	2,649
Cash transfers from restructure		..	..	..
<b>Administered cash at end of financial year</b>		2,595	2,649	2,649

# Explanation of Variances in the Financial Statements

## Income Statement

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

1. Output revenue variance is due to the net impact of: end of year funding shifts from 2006-07 to 2007-08 for Random Roadside Drug Testing and Other ICT and General Equipment due to timing; funding received for new initiatives such as CCTV and RSIP; and funding shifts from 2007-08 to 2008-09 resulting from revised completion dates mainly for PoliceLink, Legacy Migration Program, Public Safety Network, QPRIME, Technology Refresh and Road Safety / Young Drivers Initiative.
2. User charges variance mainly due to increased collections for CrimTrac fees and increased demand for special services, along with the adoption of a user charge methodology to recover funding from the Public Safety Network Management Centre cluster agencies.
3. Grants and other contribution variance is mainly due to unexpected and one-off contributions, and the recognition of the increased value of free scientific services received from Queensland Health and free rent for Police shopfronts.
4. Employee expense variance mainly due to increases for enterprise bargaining.
5. Supplies and services variance is mainly due to funding shifts from 2007-08 to 2008-09 resulting from revised completion dates mainly for PoliceLink, Legacy Migration Program, Public Safety Network, QPRIME, Technology Refresh, Legacy Migration Program and Road Safety / Young Drivers Initiative.
6. Grants and subsidies variance is due to grants paid for community related crime prevention that was previously paid by the Department of Communities.
7. Depreciation and amortisation increase is due to the impacts of the comprehensive revaluations for properties in the Toowoomba and Sunshine Coast areas.
8. Other expenses variance is due to the recognition of the increased value of scientific services received from Queensland Health, and rent for Police shopfronts, offset by the technical realignments with supplies and services (i.e. operating lease rentals).

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

9. Output revenue variance is due to additional funding received for enterprise bargaining, police growth, Road Safety Initiatives Program, Young Driver, Roadside Drug Testing Unit, PoliceLink, Radio Communications Upgrade and Policing Indigenous Communities.
10. User charges variance mainly due to increased collections for CrimTrac fees and increased demand for special services.
11. Employee expense variance mainly due to increases for enterprise bargaining and growth in police numbers.
12. Supplies and services variance is mainly due to general cost escalations.
13. Grants and subsidies variance is due to grants paid for community related crime prevention that was previously paid by the Department of Communities.
14. Depreciation variance mainly due to the: ongoing capital works program; ongoing Information and Communication Technology programs (i.e. QPRIME, Public Safety Network, Legacy Migration Program); additional acquisitions (aircraft, vessels, motor vehicles and operational equipment); and the impacts from increased valuation for buildings and dwellings.

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

15. Output revenue variance is due to additional funding received for enterprise bargaining, police growth, Road Safety Initiatives Program, Young Driver, Roadside Drug Testing Unit, PoliceLink, Radio Communications Upgrade and Policing Indigenous Communities. Furthermore, the variance is due to funding shifts from 2007-08 to 2008-09 resulting from revised completion dates mainly for PoliceLink, Legacy Migration Program, Public Safety Network, QPRIME, Technology Refresh and Road Safety / Young Drivers Initiative.
16. User charges variance relates to the still to be finalised Public Safety Network Management Centre charging agreement. Police currently hold the funding in output revenue.
17. Grants and other contributions decrease due to one-off contributions not re-occurring in the future.
18. Employee expense variance mainly due to increases for enterprise bargaining and growth in police numbers.
19. Supplies and services variance is mainly due to general cost escalations and funding shifts from 2007-08 to 2008-09 resulting from revised completion dates mainly for PoliceLink, Legacy Migration Program, Public Safety Network, QPRIME, Technology Refresh, Legacy Migration Program and Road Safety / Young Drivers Initiative.
20. Depreciation variance mainly due to the: ongoing capital works program; ongoing Information and Communication Technology programs (i.e. QPRIME, Public Safety Network, Legacy Migration Program); additional acquisitions (aircraft, vessels, motor vehicles and operational equipment); and the impacts from increased valuation for buildings and dwellings.
21. Other expenses variance is due to the technical realignments with supplies and services (i.e. operating lease rentals).

## Statement of Changes in Equity

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

22. Equity injection variance is due to the shift of capital funding from 2007-08 to 2008-09 resulting from revised completion dates mainly for Legacy Migration Program, Public Safety Network, QPRIME, Technology Refresh and Road Safety / Young Drivers Initiative.

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

23. Increase in the asset revaluation reserve is due to the comprehensive revaluation of land, buildings and dwellings, along with general indexation.
24. Equity injection variance is due to ongoing and additional funding for the Public Safety Network, capital works programs, QPRIME and the Legacy Migration Program.

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

25. Increase in the asset revaluation reserve is due to the comprehensive revaluation of land, buildings and dwellings, along with general indexation.
26. Equity injection variance is due to ongoing and additional funding for the Public Safety Network, capital works programs, QPRIME and the Legacy Migration Program, along with funding shifts from 2007-08 to 2008-09 resulting from revised completion dates mainly for Legacy Migration Program, Public Safety Network, QPRIME, Technology Refresh and Road Safety / Young Drivers Initiative.

## Balance Sheet

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

27. Cash assets variation reflects increased reserves for timing differences in transactions involving cash and reserves retained for payables and employee benefits.
28. Property, plant and equipment variance is mainly due to the net effect of the revaluation of land, buildings and dwellings, and the shift of funding from 2007-08 to 2008-09 resulting from revised completion dates mainly for Public Safety Network, Technology Refresh and Road Safety / Young Drivers Initiative.
29. Intangibles decreased mainly due to progress payment timing for the Niche License (QPRIME) and the Legacy Migration Program.
30. Accrued employee benefits increase is largely due to additional recreation leave liability, staff growth and award increases.
31. Other current liabilities variation is due to the increase in unearned grants and appropriations.
32. Capital / contributed equity decrease is largely due to the shift of capital funding from 2007-08 to 2008-09 resulting from revised completion dates mainly for Legacy Migration Program, Public Safety Network, QPRIME, Technology Refresh and Road Safety / Young Drivers Initiative.
33. Asset revaluation reserve increase is due to the results of the comprehensive revaluation of land, buildings and dwellings in the Toowoomba and Sunshine Coast area, along with general indexation.

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

34. Cash assets variation reflects increased reserves for timing differences in transactions involving cash and reserves retained for payables and employee benefits.
35. Property, plant and equipment increase is due to additional funding for the Public Safety Network, capital works programs, QPRIME and the Legacy Migration Program.
36. Accrued employee benefits increase is largely due to additional recreation leave liability, staff growth and award increases.
37. Other current liabilities variation is due to the increase in unearned grants and appropriations.
38. Capital / contributed equity increase is due to additional funding for the Public Safety Network, capital works programs, QPRIME and the Legacy Migration Program.
39. Asset revaluation reserve increase is due to the comprehensive revaluation of land, buildings and dwellings, along with general indexation.

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

40. Property, plant and equipment increase is due to: additional funding for the Public Safety Network, capital works programs, QPRIME and the Legacy Migration Program; funding shifts from 2007-08 to 2008-09 resulting from revised completion dates mainly for Public Safety Network, Technology Refresh and Road Safety / Young Drivers Initiative; and the revaluation of land, buildings and dwellings.
41. Intangibles increased mainly due to progress payment timing for the Niche License (QPRIME) and the Legacy Migration Program.
42. Capital / contributed equity increase is due to additional funding for the Public Safety Network, capital works programs, QPRIME and the Legacy Migration Program, along with funding shifts from 2007-08 to 2008-09 resulting from revised completion dates mainly for Legacy Migration Program, Public Safety Network, QPRIME, Technology Refresh and Road Safety / Young Drivers Initiative.
43. Asset revaluation reserve increase is due to the comprehensive revaluation of land, buildings and dwellings, along with general indexation.

## Cash Flow Statement

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

44. Output revenue variance is due to the net impact of: end of year funding shifts from 2006-07 to 2007-08 for Random Roadside Drug Testing and Other ICT and General Equipment due to timing; funding received for new initiatives such as CCTV and RSIP; and funding shifts from 2007-08 to 2008-09 resulting from revised completion dates mainly for PoliceLink, Legacy Migration Program, Public Safety Network, QPRIME, Technology Refresh and Road Safety / Young Drivers Initiative.
45. User charges variance mainly due to increased collections for CrimTrac fees and increased demand for special services, along with the adoption of a user charge methodology to recover funding from the Public Safety Network Management Centre cluster agencies.
46. Employee expense variance mainly due to increases for enterprise bargaining.
47. Supplies and services variance is mainly due to funding shifts from 2007-08 to 2008-09 resulting from revised completion dates mainly for PoliceLink, Legacy Migration Program, Public Safety Network, QPRIME, Technology Refresh, Legacy Migration Program and Road Safety / Young Drivers Initiative.
48. Other expenses variation due to technical realignments with supplies and services (i.e. operating lease rentals).
49. Payments for property, plant and equipment and intangibles variance is due to the net impact of: end of year funding shifts from 2006-07 to 2007-08 for Random Roadside Drug Testing, Vessels and general equipment purchases; additional funding for RSIP; and funding shifts from 2007-08 to 2008-09 resulting from revised completion dates mainly for Legacy Migration Program, Public Safety Network, QPRIME, Technology Refresh and Road Safety / Young Drivers Initiative.
50. Equity injection variation is largely due to the shift of capital funding from 2007-08 to 2008-09 resulting from revised completion dates mainly for Legacy Migration Program, Public Safety Network, QPRIME, Technology Refresh and Road Safety / Young Drivers Initiative.

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

51. Output revenue variance is due to additional funding received for enterprise bargaining, police growth, Road Safety Initiatives Program, Young Driver, Roadside Drug Testing Unit, PoliceLink, Radio Communications Upgrade and Policing Indigenous Communities.
52. User charges variance mainly due to increased collections for CrimTrac fees and increased demand for special services.
53. Employee expense variance mainly due to increases for enterprise bargaining and growth in police numbers.
54. Supplies and services variance is mainly due to general cost escalations.
55. Other expenses variation due to technical realignments with supplies and services (i.e. operating lease rentals).
56. Payments for property, plant and equipment and intangibles variation is due to additional funding for the Public Safety Network, capital works programs, QPRIME and the Legacy Migration Program.
57. Equity injection variation is largely due to additional funding for the Public Safety Network, capital works programs, QPRIME and the Legacy Migration Program.
58. Equity withdrawal variation is due to a one-off withdrawal for SAP implementation.

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

59. Output revenue variance is due to additional funding received for enterprise bargaining, police growth, Road Safety Initiatives Program, Young Driver, Roadside Drug Testing Unit, PoliceLink, Radio Communications Upgrade and Policing Indigenous Communities. Furthermore, the variance is due to funding shifts from 2007-08 to 2008-09 resulting from revised completion dates mainly for PoliceLink, Legacy Migration Program, Public Safety Network, QPRIME, Technology Refresh and Road Safety / Young Drivers Initiative.
60. User charges variance relates to the still to be finalised Public Safety Network Management Centre charging agreement. Police currently hold the funding in output revenue.
61. Employee expense variance mainly due to increases for enterprise bargaining and growth in police numbers.
62. Supplies and services variance is mainly due to general cost escalations and funding shifts from 2007-08 to 2008-09 resulting from revised completion dates mainly for PoliceLink, Legacy Migration Program, Public Safety Network, QPRIME, Technology Refresh, Legacy Migration Program and Road Safety / Young Drivers Initiative.
63. Payments for property, plant and equipment and intangibles variation is due to additional funding for the Public Safety Network, capital works programs, QPRIME and the Legacy Migration Program, and funding shifts from 2007-08 to 2008-09 resulting from revised completion dates mainly for Public Safety Network, Technology Refresh and Road Safety / Young Drivers Initiative.
64. Equity injection variation is mainly due to additional funding for the Public Safety Network, capital works programs, QPRIME and the Legacy Migration Program, along with funding shifts from 2007-08 to 2008-09 resulting from revised completion dates mainly for Legacy Migration Program, Public Safety Network, QPRIME, Technology Refresh and Road Safety / Young Drivers Initiative.
65. Equity withdrawal variation is due to a one-off withdrawal for SAP implementation

## **Income Statement**

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

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

1. Taxes, fees and fines variation is due to higher than expected collections.
2. Transfers to government variation is due to higher than expected collections.

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

3. Taxes, fees and fines variation is due to higher than expected collections.
4. Transfers to government variation is due to higher than expected collections

## **Cash Flow Statement**

### **Cash Flows Administered on behalf of the Whole-Of-Government**

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

5. Taxes, fees and fines variation is due to higher than expected collections.
6. Transfers to government variation is due to higher than expected collections.

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

7. Taxes, fees and fines variation is due to higher than expected collections.
8. Transfers to government variation is due to higher than expected collections.

# Department of Corrective Services

## Departmental Overview

### Strategic Issues

Queensland Corrective Services (QCS) is a leading partner in criminal and social justice and delivers a range of programs and services that contribute to the Government priority of fostering healthy individuals and communities.

The services that QCS provides include:

- administering the *Corrective Services Act 2006*
- managing prisoners in safe and secure environments
- delivering integrated intervention services that target offenders' assessed risks and criminogenic needs to maximise their chances of rehabilitation
- providing advice and support to sentencing authorities
- providing administrative support to the independent parole boards
- supervising offenders in the community
- managing arrangements for offenders to make reparation to the community
- providing advice to victims of crime

### 2008-09 Highlights

The priority of QCS continues to be secure containment and supervision of offenders. In addition, QCS will work in partnership with other agencies to foster safe communities by providing rehabilitation services to offenders. Key priorities for 2008-09 include:

- \$196.7 million funding in 2008-09 to commence construction of the first stage of the development of the \$485.1 million South-East Queensland correctional precinct at Gatton. A new women's correctional facility in the precinct will relieve pressure that has resulted from recent growth in the number of female prisoners in south-east Queensland;
- \$118.3 million funding in 2008-09 for the \$445 million expansion and redevelopment of Lotus Glen Correctional Centre;
- \$37.3 million for the Townsville Men's Correctional Centre that is scheduled to be completed in 2008-09. The new facility will alleviate some of the overcrowding in Northern Queensland with an additional 144 beds while ensuring community safety by securely accommodating prisoners in modern correctional infrastructure;
- \$12 million for the new Townsville Women's Correctional Centre that is scheduled to be completed in 2008. This will be the first women's prison in Northern Queensland and will include special facilities for prisoners with disabilities and units for mothers and their children;
- \$9 million to continue the rolling program for the upgrade of perimeter security systems at correctional centres;

- \$1.9 million for the continued upgrade program of Probation and Parole offices;
- \$1.2 million to continue rolling-out permanent Probation and Parole offices in Indigenous communities in Far North Queensland;
- an additional \$1.4 million for the Sexual Offender Treatment program to increase community safety by minimising the risk of re-offending;
- \$0.65 million for accommodation of offenders who are subject to the provisions of the *Dangerous Prisoners (Sexual Offenders) Act 2003*;
- the introduction of the 12-hour operational day for prison industries in Townsville, Brisbane Women's, Brisbane, Lotus Glen and Capricornia Correctional Centres.

## **2007-08 Achievements**

During 2007-08, QCS implemented a range of initiatives to maximise community safety through containment, stringent supervision and best practice treatment and interventions for offenders.

### **Growth in Prisoner Numbers**

Queensland's prisoner population has grown significantly and in 2006-07 the average daily prison population was 5,649, the largest in the State's history.

The Department's strategy for managing growth in prisoner numbers has included the introduction of court-ordered parole and the new Probation and Parole service. The impact of this strategy has been demonstrated in a reduction in the number of short sentenced prisoners. In 2007-08, the proportion of prisoners with sentences of one year or less was 23.4% of all sentenced prisoners, reduced from 30% in 2005-06. While this strategy has had a clear and positive impact, it is expected that the long term growth trend will continue, driven by Queensland's population growth and improved policing.

To meet the forecast growth in prisoner numbers, QCS has undertaken a major capital works program that includes the redeveloped \$110 million Brisbane Correctional Centre and the \$55 million expansion of Arthur Gorrie Correctional Centre to be commissioned in 2008.

In 2007-08, the Agency received \$37.5 million to commence planning for the new South-East Queensland correctional precinct at Gatton. The precinct will incorporate state-of-the-art correctional infrastructure to securely accommodate prisoners to best-practice standards. The new precinct will also use state-of-the-art technology to collect and reuse rain and waste water, and monitoring water usage and supply to secure areas.

### **Through-Care**

QCS has implemented a through-care approach in the delivery of services and programs to maximise offenders' opportunity for rehabilitation and to reduce their likelihood of re-offending. As part of the through-care approach QCS established the 12-hour operational day for prison industries at Woodford Correctional Centre in 2007-08 with a roll-out to other centres in 2008-09.

### **Health and Medical Services**

In 2007-08, QCS commenced planning for the transition of QCS health and medical services to Queensland Health. The transfer of services is in response to the increasing prevalence in the prisoner population of mental health issues, psychological disorders, physical infirmities, and problems resulting from substance and alcohol abuse. The transition will occur on 1 July 2008.



## **Probation and Parole**

The new Probation and Parole service commenced in August 2006 as part of the Agency's strategy to manage growth in prisoner numbers. The new Probation and Parole service introduced a tough and robust regime of assessment, supervision and surveillance of offenders in the community. The provision of dedicated intelligence officers for Probation and Parole and stringent surveillance and monitoring has enhanced community safety.

An increase in the judicial confidence in community-based supervision, resulting from the new Probation and Parole service, has seen a significant increase in the number of offenders supervised in the community.

The Aboriginal and Torres Strait Islander Strategy is an important aspect of the Agency's commitment to addressing Indigenous over-representation, as well as managing prisoner numbers. As part of the Strategy, QCS has established a permanent presence in the Gulf and Cape York, firstly at Doomadgee, Mornington Island, Normanton, and Thursday Island followed by offices at Aurukun and Weipa. These offices provide greater sentencing support to judges and magistrates and allow Indigenous offenders to be supervised in their communities. In 2007, QCS commenced an evaluation of the Strategy that will examine its impact over the short, medium and long terms.

## **Management of Sex Offenders**

QCS provides sex offenders with the opportunity to participate in suitable and appropriate treatment programs after they have undertaken a comprehensive and specialised assessment. The assessment practices and the facilitation of sexual offender treatment programs are closely monitored by a dedicated Sexual Offender Programs Unit to ensure that high standards are maintained. In 2007-08, there were 260 completions of sex offender programs. These programs ranged from preparatory programs to high intensity sexual offending programs through to culturally appropriate Indigenous programs.

Under the *Dangerous Prisoners (Sexual Offenders) Act 2003*, the courts may detain or release a sexual offender into the community under the supervision of QCS. The Agency closely monitors these offenders through intensive supervision, dedicated surveillance, electronic monitoring, and partnerships with other agencies. These measures ensure that the Agency can respond to breaches of orders and return offenders to custody.

## **Planning for Future Workforce Needs**

The QCS Academy supports operational officers through improved training to enhance the safety and security of correctional centres, probation and parole services and the community. The QCS Academy has been operating, under its new structure, for just over one year and in that time 470 officers have completed twelve custodial entry level training programs and two custodial bridging programs. Over the year there were also eight training programs delivered for 140 Probation and Parole staff.

QCS' workforce strategy demonstrates its commitment to building a workforce that is highly capable, responsible and flexible. This commitment includes a new Leadership Framework that supports the development of future leaders. In 2007-08, sixteen officers enrolled in the Advanced Diploma of Correctional Management and there were 59 participants in five executive leadership programs.

## **Women Offenders**

In response to the increasing numbers of women offenders, QCS is delivering dedicated infrastructure, programs and resources that are better tailored to the needs of the women

offender population. Over the last decade, the number of women offenders in the prison system has almost doubled from around 218 in 1997 to 420 in 2007. The new 154-bed stand-alone women's facility in Townsville will accommodate the expected growth in North Queensland. The correctional precinct in the South-East Queensland at Gatton will include a women's correctional centre as a priority to address anticipated growth in the number of women prisoners in South-East Queensland.

### **Commencement of New Management Contracts**

QCS undertook an extensive and rigorous tender process for the management of Arthur Gorrie Correctional Centre and Borallon Correctional Centre. The new contracts commenced on 1 January 2008.

### **Water and Energy Management Initiatives**

QCS is committed to the responsible use of water and energy resources. The Agency has introduced a state-of-the-art water management system in the redeveloped Brisbane Correctional Centre to increase water efficiencies. The system provides for the adjustment of water supply to individual devices. This innovative water management system has also been incorporated in the Arthur Gorrie expansion and will be installed into the two Townsville Correctional Centre projects.

QCS has undertaken significant work at existing correctional centres to reduce water consumption and achieve compliance with the local water restriction requirements. This work includes retrofitting low flow tapware, dual flush toilets and new water management practices including restrictions in the external use of water.

QCS is implementing Energy Performance Contracting (EPC) arrangements progressively throughout its correctional centres to decrease energy usage through the use of more efficient lighting, air conditioning, cooking equipment and other processes.

### **Departmental Outputs**

The Agency's outputs deliver programs and services that contribute to the Queensland Government outcome of safe and secure communities and align with the Government priority of fostering healthy individuals and communities.

Facility-based containment services operate a secure and humane custodial environment that provides for the safety of the community, staff and prisoners. Community supervision services provide for the supervision of offenders on community based orders and parole. Correctional intervention services reduce re-offending by providing effective programs and services to assist in the rehabilitation of offenders.

## Staffing<sup>1</sup>

Output	Notes	2007-08 Budget	2007-08 Est. Actual	2008-09 Estimate
<b>Outputs</b>				
Facility-based Containment Services	3,6,9	2,413	2,328	2,231
Community Supervision Services	4,7,10	548	518	535
Correctional Intervention Services	5,8,11	661	626	672
<b>Total Outputs</b>		<b>3,622</b>	<b>3,472</b>	<b>3,438</b>
<b>Total</b>		<b>3,622</b>	<b>3,472</b>	<b>3,438</b>

### Notes:

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

2. Corporate FTEs are allocated across the outputs to which they relate.

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

3. The decrease is mainly due to delayed appointment of staff following rain caused delays in opening redeveloped sections of the Townsville Correctional Centre.

4. The decrease is mainly due to unanticipated staff vacancies resulting from delays in recruitment.

5. The decrease is mainly due to delayed appointment of staff following rain caused delays in opening redeveloped sections of the Townsville Correctional Centre.

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

6. The decrease is mainly due to the transfer of offender health services staff to Queensland Health.

7. The decrease is mainly due to anticipated vacancies predicted from usual staff turnover patterns.

8. The increase is mainly due to the expansion of twelve-hour days for prison industries, partly offset by anticipated vacancies predicted from usual staff turnover patterns, and the transfer of offender health services staff to Queensland Health.

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

9. The decrease is mainly due to the transfer of offender health services staff to Queensland Health, partly offset by completion of the opening of redeveloped sections of the Townsville Correctional Centre, and recruitment against vacancies.

10. The increase is mainly due to recruitment against vacancies, and expansion of the Indigenous Probation and Parole initiative.

11. The increase is mainly due to the completion of the opening of redeveloped sections of the Townsville Correctional Centre, and recruitment against vacancies, partly offset by the transfer of offender health services staff to Queensland Health.

## 2008-09 Output Summary<sup>1</sup>

Output	Total cost \$'000	Sources of revenue			
		Appropriation \$'000	User charges \$'000	C'wealth revenue \$'000	Other revenue \$'000
Facility-based Containment Services	360,524	359,419	..	..	1,105
Community Supervision Services	66,122	66,122	..	..	..
Correctional Intervention Services	84,544	67,408	15,195	..	1,941
<b>Total</b>	<b>511,190</b>	<b>492,949</b>	<b>15,195</b>	<b>..</b>	<b>3,046</b>

# Departmental Statements

## Performance Statement

Measures	Notes	2007-08 Target/Est.	2007-08 Est. Actual	2008-09 Target/Est.
<b>Output name: Facility-based Containment Services</b>				
Number of male prisoners	1			
High Security Facilities	2	4,800	4,570	4,700
Low Security Facilities	3	750	535	540
Number of female prisoners	1			
High Security Facilities	2	360	335	370
Low Security Facilities	3	90	80	80
Indigenous status (proportion)				
Male prisoners Indigenous		26%	26.5%	26%
Male prisoners non-Indigenous		74%	73.5%	74%
Female prisoners indigenous		27%	26.9%	27%
Female prisoners non-indigenous		73%	73.1%	73%
Short sentence profile				
Proportion of prisoners with sentence <= 1 yr (non-violent, non-sexual offenders)	4	39%-43%	37.4%	37%-41%
Proportion of prisoners with sentence <= 1 yr (all sentenced prisoners)	4	25%-29%	23.4%	23%-27%
Escape rate	5			
High Security Facilities		0	0	0
Low Security Facilities		0	1.95	0
Abscond rate	6			
Low Security Facilities		0.4	0	0.32
Assault rate – Major (prisoner on staff)	7			
High Security Facilities		0	0.04	0
Low Security Facilities		0	0	0
Assault rate – Minor (prisoner on staff)	7			
High Security Facilities		<1.2	0.98	<1.10
Low Security Facilities		0	0	0
Assault rate – Major (prisoner on prisoner)	7			
High Security Facilities		<0.9	0.79	<0.85
Low Security Facilities		0	0	0
Assault rate – Minor (prisoner on prisoner)	7			
High Security Facilities		<6.6	4.08	<5.9
Low Security Facilities		<1.8	2.82	<1.8
Death rate (unnatural cause only)	8			
High Security Facilities		0	0.02	0
Low Security Facilities		0	0	0

Measures	Notes	2007-08 Target/Est.	2007-08 Est. Actual	2008-09 Target/Est.
Completion of immediate risk needs on day of admission	9	100%	98.8%	100%
Completion of offender management plan reviews (OMPRs)	10	100%	90.0%	100%
Cost of containment per prisoner per day	11	\$160.02	\$178.11	\$172.94
<b>State contribution (\$000)</b>		<b>350,682</b>	<b>359,113</b>	<b>359,419</b>
<b>Other revenue (\$000)</b>		<b>1,046</b>	<b>1,076</b>	<b>1,105</b>
<b>Total cost (\$000)</b>		<b>351,728</b>	<b>360,189</b>	<b>360,524</b>

#### Output name: Community Supervision Services

Number of male offenders on orders  
(distinct count)

Supervision Orders				
Probation Orders	12	6,300	6,400	6,370
Parole Orders	12	800	840	915
(excluding court ordered)				
Court Ordered Parole Orders	12	1,500	1,970	2,570
Intensive Correction Orders	12,13	550	370	410
Intensive Drug Rehabilitation Orders		130	80	85
Reparation Orders				
Community Service Orders	12,14	1,400	1,400	1,355
Fine Option Orders	12,14	750	450	435

Number of female offenders on orders  
(distinct count)

Supervision Orders				
Probation Orders	12	1,800	1,845	1,890
Parole Orders	12	75	90	90
(excluding court ordered)				
Court Ordered Parole Orders	12	200	320	410
Intensive Correction Orders	12,13	100	80	75
Intensive Drug Rehabilitation Orders		25	12	15
Reparation Orders				
Community Service Orders	12,14	380	380	380
Fine Option Orders	12,14	320	170	170

Indigenous status (proportion)

Male offenders Indigenous	18%	18%	18%
Male offenders non-Indigenous	82%	82%	82%
Female offenders Indigenous	21%	24%	23%
Female offenders non-Indigenous	79%	76%	77%

Number of Courts to which advisory services delivered

	111	111	111
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Percentage of successfully completed orders

15
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Measures	Notes	2007-08 Target/Est.	2007-08 Est. Actual	2008-09 Target/Est.
Supervision orders				
Probation Orders		>65%	64%	>65%
Parole Orders (excluding court ordered)		>70%	72%	>70%
Court Ordered Parole Orders		>65%	69%	>69%
Intensive Correction Orders		>65%	66%	>65%
Intensive Drug Rehabilitation Orders		>25%	30%	>25%
Reparation orders				
Community Service Orders		>65%	56%	>60%
Fine Option Orders		>70%	54%	>60%
Completion of offender management plan reviews (OMPRs) – urban service locations	16	100%	95%	100%
Completion of offender management plan reviews (OMPRs) – remote service locations	16,17	80%	95%	0
Number of District Offices		34	34	34
Number of Reporting Centres		106	106	108
Cost of supervision per offender per day	18	\$11.71	\$11.71	\$11.93
<b>State contribution (\$'000)</b>		<b>61,315</b>	<b>61,632</b>	<b>66,122</b>
<b>Other revenue (\$'000)</b>		<b>..</b>	<b>..</b>	<b>..</b>
<b>Total cost (\$'000)</b>		<b>61,315</b>	<b>61,632</b>	<b>66,122</b>

**Output name: Correctional Intervention Services**

Financial value of Community Service work performed (court ordered)	19	\$6.5 million	\$5.0 m	\$5.5 million
Financial value of work performed in regional Queensland by prisoners from Low Security Facilities	19	\$1.2 million	\$2.0 m	\$1.5 million
Annual hours curriculum (AHC)	20			
Vocational Education and Training		180,000	210,000	200,000
Literacy/Numeracy		190,000	250,000	200,000
Program completions	21			
Sex offender programs		220	260	260
Transition support		1,500	2,300	2,000
Other programs		800	860	900
Prisoners employed	22			
Commercial industries		1,455	1,145	1,455
Prison services		1,885	1,685	1,885
Hours of community service performed per offender per month		>12	11	>12

Percentage of successful completions in

Measures	Notes	2007-08 Target/Est.	2007-08 Est. Actual	2008-09 Target/Est.
vocational education and training		75%	77%	75%
Number of community service project sites	23	800	660	700
Correctional Intervention Services as a proportion of budget	24	12.8%	12.6%	13.7%
<b>State contribution (\$000)</b>		<b>60,618</b>	<b>60,900</b>	<b>67,408</b>
<b>Other revenue (\$000)</b>		<b>13,357</b>	<b>14,688</b>	<b>17,136</b>
<b>Total cost (\$000)</b>		<b>73,975</b>	<b>75,588</b>	<b>84,544</b>

Notes:

1. Average number of prisoners held for the year by facility type (referred to as the annual average daily state).
2. High security facilities are defined as a custodial facility where the regime for managing prisoners requires them to be confined by a secure perimeter physical barrier, regardless of the individual classifications of the prisoners held within the facility.
3. Low security facilities are defined as a custodial facility where the regime for managing prisoners does not require them to be confined by a secure perimeter, irrespective of whether a physical barrier exists and regardless of the individual classifications of the prisoners held within the facility.
4. The short sentence profile measures are used to monitor sentencing patterns. Both measures include sentenced prisoners only (i.e. remand prisoners are excluded from the calculation). The first measure excludes sex offenders and violent offenders from the calculation. The second measure includes all sentenced offenders for comparative purposes.
5. Number of escapes divided by the annual average daily state for each facility type multiplied by 100.
6. Number of absconds divided by the annual average daily state for facility type multiplied by 100.
7. Number of victims of assault, classified by degree of injury (major/minor), and divided by the annual average daily state for each facility type multiplied by 100.
8. Number of unnatural cause deaths divided by the annual average daily state for each facility type multiplied by 100.
9. Number of risk needs assessments completed on day of admission divided by the number of offenders admitted expressed as a percentage completed.
10. Percent of offenders who have their Offender Management Plan Review (OMPR) requirements met.
11. Calculated by dividing the State contribution by the annual average daily state divided by 365.25. The increase in the actual estimated cost of containment can be attributed to the recent decline in prisoner numbers.
12. Estimated actual offender numbers for 2007-08 are derived by averaging the number of offenders on orders at the end of each month to March 2008. Court-ordered parole was introduced in August 2006 and the use of this order has exceeded prediction.
13. The 2007-08 estimated actual result for the number of Intensive Correction Orders has been impacted by the introduction of court-ordered parole.
14. The number of offenders on both Community Service Orders and Fine Option Orders has been impacted on by the introduction of the State Penalties Enforcement Register.
15. Calculated as the number of successfully completed orders divided by the number of completed orders (successful or otherwise) for each category and expressed as a percentage.
16. Percent of offenders who have their Offender Management Plan Review (OMPR) requirements met. Information for 2007-08 estimated actual is provided as a whole-of-agency result for both urban and remote locations as separation of these results is not available from agency information systems.
17. In 2009-10, only one whole-of-agency result will be reported.
18. Calculated by dividing the State contribution by the estimated average number of offenders divided by 365.25.
19. Financial value is calculated by taking the total number of community service hours worked in the period and then multiplying the number by \$15.00.
20. Annual Hours Curriculum (AHC) is calculated by multiplying the number of participants by the competency/module hours.
21. The measure focuses on the expected number of program completions rather than the number of enrolments in programs or participation in programs. That is, a prisoner has to complete the program for it to be counted in this measure.
22. This measure is calculated by averaging the number of prisoners employed during the year in the categories of commercial industries and prison services.
23. This is a count of community service project sites where community service work was conducted during the year.
24. Calculated by determining the proportion of output revenue allocated to this output.

## Income Statement

Department of Corrective Services	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
<b>Income</b>				
Output revenue	1,5,10	472,615	481,645	492,949
User charges	2,6,11	11,422	12,753	15,195
Grants and other contributions		1,935	1,935	1,935
Other revenue		1,046	1,076	1,111
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
<b>Total income</b>		<b>487,018</b>	<b>497,409</b>	<b>511,190</b>
<b>Expenses</b>				
Employee expenses	7,12	251,915	251,915	255,376
Supplies and services	3,8,13	177,682	200,852	186,265
Grants and subsidies		935	935	958
Depreciation and amortisation	9,14	52,137	52,165	64,244
Finance/borrowing costs		..	21	16
Other expenses		4,349	4,331	4,331
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
<b>Total expenses</b>		<b>487,018</b>	<b>510,219</b>	<b>511,190</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>	4,15	<b>..</b>	<b>(12,810)</b>	<b>..</b>

## Statement of Changes in Equity

Department of Corrective Services	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	16,19,21	137,158	30,343	93,730
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
<b>Net income recognised directly in equity</b>		<b>137,158</b>	<b>30,343</b>	<b>93,730</b>
Surplus/(deficit) for the period	17,22	..	(12,810)	..
<b>Total recognised income and expense for the period</b>		<b>137,158</b>	<b>17,533</b>	<b>93,730</b>
Equity injection/(withdrawal)	18,20,23	202,482	188,572	336,270
Equity adjustments (MoG transfers)		..	..	669
<b>Total movement in equity for period</b>		<b>339,640</b>	<b>206,105</b>	<b>430,669</b>



## Balance Sheet

Department of Corrective Services	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
<b>CURRENT ASSETS</b>				
Cash assets	24,31	44,698	55,479	55,254
Receivables		8,062	8,768	8,768
Other financial assets		..	..	..
Inventories		3,251	2,900	2,900
Other	25,32	4,950	394	394
Non-financial assets held for sale		..	..	..
<b>Total current assets</b>		<b>60,961</b>	<b>67,541</b>	<b>67,316</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		144	..	..
Other financial assets		230	234	234
Property, plant and equipment	26,33,38	1,677,780	1,481,450	1,912,143
Intangibles		8,648	8,411	7,504
Other		893	1,099	1,099
<b>Total non-current assets</b>		<b>1,687,695</b>	<b>1,491,194</b>	<b>1,920,980</b>
<b>TOTAL ASSETS</b>		<b>1,748,656</b>	<b>1,558,735</b>	<b>1,988,296</b>
<b>CURRENT LIABILITIES</b>				
Payables	27,34	23,885	41,936	41,936
Employee benefit obligations		21,698	22,628	21,773
Interest-bearing liabilities and derivatives		..	319	66
Provisions		..	..	..
Other		1,088	1,043	1,043
<b>Total current liabilities</b>		<b>46,671</b>	<b>65,926</b>	<b>64,818</b>
<b>NON-CURRENT LIABILITIES</b>				
Payables		..	..	..
Employee benefits obligations		1,999	2,364	2,364
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
<b>Total non-current liabilities</b>		<b>1,999</b>	<b>2,364</b>	<b>2,364</b>
<b>TOTAL LIABILITIES</b>		<b>48,670</b>	<b>68,290</b>	<b>67,182</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>1,699,986</b>	<b>1,490,445</b>	<b>1,921,114</b>
<b>EQUITY</b>				
Capital/contributed equity	28,35,39	647,067	618,056	954,995
Retained surplus/(accumulated deficit)	29,36	349,748	337,126	337,126
Reserves:				
- Asset revaluation reserve	30,37,40	703,171	535,263	628,993
- Other (specify)		..	..	..
<b>TOTAL EQUITY</b>		<b>1,699,986</b>	<b>1,490,445</b>	<b>1,921,114</b>

## Cash Flow Statement

Department of Corrective Services	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
Output receipts	41,47,54	472,615	481,613	492,949
User charges	42,48,55	31,406	32,737	35,179
Grants and other contributions		1,935	1,935	1,935
Other		21,721	21,751	21,786
<b>Outflows:</b>				
Employee costs	49,56	(251,915)	(251,915)	(255,376)
Supplies and services	43,50,57	(198,357)	(221,527)	(206,940)
Grants and subsidies		(935)	(935)	(958)
Borrowing costs		..	(21)	(16)
Other		(24,333)	(24,315)	(24,315)
<b>Net cash provided by/(used in) operating activities</b>		<b>52,137</b>	<b>39,323</b>	<b>64,244</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Inflows:</b>				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
<b>Outflows:</b>				
Payments for property, plant and equipment and intangibles	44,51,58	(254,619)	(242,528)	(400,486)
Payments for investments		..	..	..
Loans and advances made		..	..	..
<b>Net cash provided by/(used in) investing activities</b>		<b>(254,619)</b>	<b>(242,528)</b>	<b>(400,486)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		..	500	..
Equity injections	45,52,59	243,468	229,508	388,970
<b>Outflows:</b>				
Borrowing redemptions		..	(181)	(253)
Finance lease payments		..	..	..
Equity withdrawals	53,60	(40,986)	(40,920)	(52,700)
<b>Net cash provided by/(used in) financing activities</b>		<b>202,482</b>	<b>188,907</b>	<b>336,017</b>
<b>Net increase/(decrease) in cash held</b>	46,61	<b>..</b>	<b>(14,298)</b>	<b>(225)</b>
<b>Cash at the beginning of financial year</b>		<b>44,698</b>	<b>69,777</b>	<b>55,479</b>
Cash transfers from restructure		..	..	..
<b>Cash at the end of financial year</b>		<b>44,698</b>	<b>55,479</b>	<b>55,254</b>

# Explanation of Variances in the Financial Statements

## Income Statement

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

1. The increase in output revenue is mainly due to new funding for the Public Safety Network, new operating contracts at Arthur Gorrie and Borallon correctional centres, and funding for inmate numbers being in excess of budgeted capacity at some correctional centres.
2. The increase in user charges is mainly additional revenue from the new water tank production prison industry, and general price increases in line with inflation.
3. The increased cost of supplies and services is mainly due to the operations of the new Public Safety Network, establishment costs of new operating contracts at Arthur Gorrie and Borallon correctional centres, and the implementation of water savings measures and energy savings initiatives in correctional centres.
4. The operating deficit is the result of funding the implementation of water savings measures and energy savings initiatives in correctional centres from cash holdings that are surplus to immediate requirements.

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

5. The increase is mainly due to the full year effect of the operation and depreciation of new and expanded correctional infrastructure at Townsville (male and female), Brisbane Correctional Centre and Arthur Gorrie Correctional Centre, as well as salary increases from enterprise bargaining, and continued expansion of the enhanced offender through-care and support initiative, mainly prison industries, partly offset by the transfer of responsibility for offender health services to Queensland Health.
6. The increase is mainly due to the expansion of prison industries, including the full year effect of the new water tank production initiative, and general price increases in line with inflation.
7. The increase is mainly due to salary increases from enterprise bargaining, as well as the full year effect of the operation of new and expanded correctional infrastructure at Townsville (male and female) and Brisbane Correctional Centre, and continued expansion of the enhanced offender through-care and support initiative, mainly prison industries, partly offset by the transfer of responsibility for offender health services to Queensland Health.
8. The increase is mainly due to the full year effect of the operation of new and expanded correctional infrastructure at Townsville (male and female), Brisbane Correctional Centre and Arthur Gorrie Correctional Centre, as well as continued expansion of the enhanced offender through-care and support initiative, mainly prison industries, partly offset by the transfer of responsibility for offender health services to Queensland Health.
9. The increased depreciation expense reflects the expansion of prison infrastructure, primarily at Townsville (male and female correctional centres), Brisbane Correctional Centre and Arthur Gorrie Correctional Centre.

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

10. The increase is mainly due to salary increases from enterprise bargaining, the full year effect of the operation and depreciation of new and expanded correctional infrastructure at Townsville (male and female), Brisbane Correctional Centre and Arthur Gorrie Correctional Centre, and continued expansion of the enhanced offender through-care and support initiative, mainly prison industries, partly offset by the transfer of responsibility for offender health services to Queensland Health, and adjustments for one-off costs in 2007-08 for the Public Safety Network, establishment costs of the new operating contracts at Arthur Gorrie and Borallon correctional centres, and funding for inmate numbers being in excess of budgeted capacity at some correctional centres.
11. The increase is mainly due to the expansion of prison industries, including the full year effect of the new water tank production initiative, and general price increases in line with inflation.
12. The increase is mainly due to salary increases from enterprise bargaining, as well as the full year effect of the operation of new and expanded correctional infrastructure at Townsville (male and female) and the Brisbane Correctional Centre, and continued expansion of the enhanced offender through-care and support initiative, mainly prison industries, partly offset by the transfer of responsibility for offender health services to Queensland Health.
13. The decreased cost of supplies and services is mainly due to the transfer of responsibility for offender health services to Queensland Health, one-off funding in 2007-08 for operations of the new Public Safety Network and for establishment costs for new operating contracts at Arthur Gorrie and Borallon correctional centres, and the implementation of water savings measures and energy savings initiatives in correctional centres, partially offset by increases for the full year effect of the operation of new and expanded correctional infrastructure at Townsville (male and female), Brisbane Correctional Centre and Arthur Gorrie Correctional Centre, and continued expansion of the enhanced offender through-care and support initiative, mainly prison industries.
14. The increased depreciation expense reflects the expansion of prison infrastructure, primarily at Townsville (male and female correctional centres), Brisbane Correctional Centre and Arthur Gorrie Correctional Centre.
15. The variation is due to the Agency achieving a balanced budget for 2008-09, as opposed to the once-off operating deficit in 2007-08, which resulted from funding the implementation of water savings measures and energy savings initiatives in correctional centres from cash holdings that were surplus to immediate requirements.

## Statement of Changes in Equity

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

16. The decrease is mainly due to a downwards revision of the estimated escalation rate for building values.
17. The operating deficit is the result of funding the implementation of water savings measures and energy savings initiatives in correctional centres from cash holdings that are surplus to immediate requirements.
18. The decrease in the equity injection is mainly due to the deferral of funding in consequence of some delays in major projects, partly offset by new funding approved during 2007-08.

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

19. The decrease is mainly due to a downwards revision of the estimated escalation rate for building values, partially offset by a further year of estimated value increases for fixed assets.
20. The increased equity injection mainly reflects the increased capital works program for 2008-09.

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

21. The increase reflects the estimated new asset valuations for 2008-09.
22. The variation is due to the Agency achieving a balanced budget for 2008-09, as opposed to the once-off operating deficit in 2007-08, which resulted from funding the implementation of water savings measures and energy savings initiatives in correctional centres from cash holdings that were surplus to immediate requirements.
23. The increased equity injection mainly reflects the increased capital works program for 2008-09.

## Balance Sheet

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

24. The increase in cash assets is mainly due to an increase in payables at 30 June 2007, and changes to the timing of prepayments, partially offset by unfunded expenditure for the implementation of water savings measures and energy savings initiatives in correctional centres.
25. The decrease is due to changes in the timing of paying out of cash on prepayments.
26. The reduction is mainly due to the indexation rate for the annual revaluation of some fixed assets being revised downwards, and delays in some capital works projects, partially offset by some new projects in 2007-08.
27. The increase is due to there being more than expected unpaid (but not yet due) invoices on hand at 30 June 2007.
28. The decrease is mainly due to delays in some capital works projects, partly offset by new projects approved in 2007-08.
29. The decrease in retained surpluses results from funding the implementation of water savings measures and energy savings initiatives in correctional centres from cash holdings that are surplus to immediate requirements.
30. The decrease is mainly due to a downwards revision of the estimated escalation rate for building values.

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

31. The increase is mainly due to an increase in payables at 30 June 2007, and changes to the timing of prepayments, reduced by unfunded expenditure for the implementation of water savings measures and energy savings initiatives.
32. The decrease is due to changes in the timing of paying out of cash on prepayments.
33. The increase reflects the actual capital works program for 2008-09, and the indexation of the values of existing assets.
34. The increase is due to there being more unpaid (but not yet due) invoices on hand at 30 June 2007.
35. The increase reflects the funding for new capital projects approved for 2008-09.
36. The decrease in retained surpluses results from funding the implementation of water savings measures and energy savings initiatives in correctional centres in 2007-08 from cash holdings that were surplus to immediate requirements.
37. The decrease is mainly due to a downwards revision of the estimated escalation rate for building values that was used for the 2007-08 Budget.

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

38. The increase reflects the actual capital works program for 2008-09, adjusted for deferrals from 2007-08, and the indexation of the values of existing assets.
39. The increase is mainly funding for the 2008-09 capital works program.
40. The increase reflects the estimated escalation of asset values.

## Cash Flow Statement

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

41. The increased revenue is mainly due to new funding for the Public Safety Network, establishment costs of new operating contracts at Arthur Gorrie and Borallon correctional centres, and inmate numbers being in excess of budgeted capacity at some correctional centres.
42. The increase in user charges is mainly additional revenue from the new water tank production industry, and general price increases in line with inflation.
43. The increased expenditure is mainly due to the operations of the new Public Safety Network, implementation of new operating contracts at Arthur Gorrie and Borallon correctional centres, and the implementation of water savings measures and energy savings initiatives in correctional centres.
44. The decrease in payments is mainly due to delays in the 2007-08 capital works program, offset by increased capital payables at 30 June 2007, and new projects approved in 2007-08.
45. The decrease mainly reflects delays in the 2007-08 capital works program, partly offset by new projects approved in 2007-08.
46. The reduction in cash held is due to funding the implementation of water savings measures and energy savings initiatives in correctional centres from cash holdings that were surplus to immediate requirements.

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

47. The increase is mainly due to the full year effect of the operation of new and expanded correctional infrastructure at Townsville (male and female), Brisbane Correctional Centre and Arthur Gorrie Correctional Centre, as well as salary increases from enterprise bargaining, and continued expansion of prison industries, partly offset by the transfer of responsibility for offender health services to Queensland Health.
48. The increase is mainly due to the expansion of prison industries, including the full year effect of the new water tank production initiative, and general price increases in line with inflation.
49. The increase is mainly due to salary increases from enterprise bargaining, as well as the full year effect of the operation of new and expanded correctional infrastructure at Townsville (male and female) and Brisbane Correctional Centre, and continued expansion of prison industries, partly offset by the transfer of responsibility for offender health services to Queensland Health.
50. The increase is mainly due to the full year effect of the operation of new and expanded correctional infrastructure at Townsville (male and female), Brisbane Correctional Centre and Arthur Gorrie Correctional Centre, as well as continued expansion of the enhanced offender through-care and support initiative, incorporating prison industries, partly offset by the transfer of responsibility for offender health services to Queensland Health.
51. The increase in payments reflects the expanded capital works program for 2008-09, adjusted for delays in the 2007-08 program.

52. The increase reflects the expanded capital works program for 2008-09, adjusted for delays in the 2007-08 program.
53. The increase in equity withdrawals reflects the increased depreciation expense funding for 2008-09.

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

54. The increase is mainly due to salary increases from enterprise bargaining, the full year effect of the operation and depreciation of new and expanded correctional infrastructure at Townsville (male and female), Brisbane Correctional Centre and Arthur Gorrie Correctional Centre, and continued expansion of the enhanced offender through-care and support initiative (including prison industries), partly offset by the transfer of responsibility for offender health services to Queensland Health, adjustments for one-off costs in 2007-08 for the Public Safety Network, establishment costs of the new operating contracts at Arthur Gorrie and Borallon correctional centres, and inmate numbers being in excess of budgeted capacity at some correctional centres.
55. The increase is mainly due to the continued expansion of prison industries, including the full year effect of the new water tank production initiative, and general price increases in line with inflation.
56. The increase is mainly due to salary increases from enterprise bargaining, as well as the full year effect of the operation of new and expanded correctional infrastructure at Townsville (male and female) and the new Brisbane Correctional Centre, and continued expansion of the enhanced offender through-care and support initiative, incorporating prison industries, partly offset by the transfer of responsibility for offender health services to Queensland Health.
57. The decreased expenditure is mainly due to the transfer of responsibility for offender health services to Queensland Health, and one-off funding in 2007-08 for operations of the new Public Safety Network and for establishment costs for new operating contracts at Arthur Gorrie and Borallon correctional centres, and the implementation of water savings measures and energy savings initiatives in correctional centres, partly offset by the full year effect of the operation of new and expanded correctional infrastructure at Townsville (male and female), Brisbane Correctional Centre and Arthur Gorrie Correctional Centre, and continued expansion of the enhanced offender through-care and support initiative, incorporating prison industries.
58. The increase reflects the expanded capital works program for 2008-09, adjusted for delays in the 2007-08 program.
59. The increase reflects the expanded capital works program for 2008-09, adjusted for delays in the 2007-08 program.
60. The increase in equity withdrawals reflects the increased depreciation expense funding for 2008-09.
61. The reduced reduction in cash held is due to one-off funding for the implementation of water savings measures and energy savings initiatives in correctional centres in 2007-08 being taken from cash holdings that were surplus to immediate requirements.

# Sport and Recreation

## Overview

*Sport and Recreation is accountable to the Minister for Police, Corrective Services and Sport. Sport and Recreation is administratively part of the Department of Local Government, Sport and Recreation. Consolidated financial statements for the Department are provided in Part 9, Book 2.*

## Strategic Issues

The following factors are influencing the nature, shape and delivery of sport and active recreation policy and services:

- Sport and active recreation play a critical role in the well being of Queensland's communities. In addition to the social benefits of participating in sport and active recreation, there are undeniable physical and health benefits in leading a more active lifestyle.
- Obesity is one of the major health and social challenges facing Queensland and Australia, with over two thirds of all men and half of all women reporting as overweight or obese. It is estimated that physical inactivity – as one of the contributors to overweight and obesity – contributes to an estimated 8,000 deaths per annum and an estimated cost to Australian taxpayers of \$400 million each year. The Department plays a lead role across Government in proactively addressing increasing overweight and obesity rates through its leadership of a number of programs and strategies.
- The availability of land for sport and active recreation in high-growth areas, declining volunteerism and increasing costs of services are all impacting on the provision of opportunities for Queenslanders to participate in sport and active recreation. With over 1100 people moving to Queensland each week, significant pressures emerge for government at all levels and for the sport and recreation industry to respond to the participation needs of growing Queensland communities.
- Increasing participation in sport and active recreation can be achieved through a combination of social education campaigns promoting the benefits of active lifestyles; supporting local clubs and sport and recreation organisations to improve their facilities and services; and working with councils to develop community activity spaces such as bikeways, swimming pools and walking paths.
- Queensland derives significant economic and social benefits from supporting its elite athletes and providing world class sporting facilities. To ensure Queensland is positioned as a premier sporting destination in this highly competitive market, it is essential that we develop and maintain leading edge technologies and coaching methods so our elite athletes continue to excel in international competitions and that the State's major stadia are maintained and promoted to their best advantage.

## 2008-09 Highlights

- Deliver the “Find Your 30” campaign across Queensland communities as the second phase of the Government's \$8.4 million, three year investment in encouraging more Queenslanders to lead an active, healthy lifestyle.
- Invest more than \$78 million in community sport and active recreation facilities, programs and opportunities to enable more Queenslanders to get active including:
  - a record \$12.5 million investment through the *Minor Facilities Program* to support community sport and recreation clubs improve the standard and availability of their facilities;

- launching a new \$30 million round of the *Major Facilities Program* to support the development of major community sport and recreation facilities;
- providing up to \$8 million over four years (as part of a \$10 million partnership package with Tennis Queensland) to deliver a network of regional tennis facilities located in Mount Isa, Cairns, Townsville, Rockhampton and Toowoomba;
- delivering \$3 million to local clubs and \$9.7 million to State level sport and recreation organisations to enable them to enhance their services and provide training and participation programs;
- distributing a further \$3 million through the second round of the *Queensland Community Partnerships Program*, which supports innovative and sustainable projects aimed at increasing participation in physical activity and encouraging healthy eating;
- providing \$5 million to Queensland councils to provide new and improved community recreation and sport facilities (such as walking and cycling paths) and locally based sport and recreation programs and services;
- maintaining the *Young Athlete Assistance Program*, which provides assistance to talented children and young people to attend and compete at representative sporting events; and
- supporting the delivery of a number of key sport and recreation facility projects by:
  - o providing \$10 million over three years to Townsville City Council towards the redevelopment of Murray Sports Complex;
  - o assisting Cairns Regional Council with funding of \$0.9 million to construct a multi-purpose outdoor sporting facility at Redlynch;
  - o contributing \$0.49 million to the Valleys District Cricket Club Incorporated to upgrade three existing sports fields at Ashgrove Sports Ground, Ashgrove;
  - o supporting the development of school based facilities for community use through funding of \$0.49 million to North Lakes State College to construct a sporting field, outdoor courts and tennis courts; and
  - o providing \$1.24 million to assist the Longreach Regional Council develop a 25 metres heated pool.
- As part of the Government's alcohol reform measures for Indigenous communities, provide \$7.6 million over four years to expand the Queensland Police Citizens Youth Welfare Association's *Community Activity Program through Education* (CAPE), which provides a programmatic approach to the delivery of sport and recreation services in target Indigenous communities. Coupled with this will be a new model to support the employment of sport and recreation officers in Indigenous communities through Police/Citizens Youth Clubs and other organisations to deliver practical programs and services.
- Ensure the Queensland Academy of Sport's (QAS) elite athletes selected for the Australian Olympic and Paralympic teams for Beijing receive the support and development services they require to realise their potential. This includes the provision of bonus grants to eligible Queensland athletes selected on the Australian Olympic and Paralympic teams.
- Provide a further \$2 million over four years to continue the ground breaking research partnerships program delivered through the Centre of Excellence in Applied Sports Science Research, enabling the QAS to maintain its internationally competitive edge in sports science and elite coaching development.
- Provide more than \$24 million over five years towards the construction of the race precinct and to support the staging of the Townsville V8 Supercars event.

- Assist Stadiums Queensland to oversee the completion by Mirvac Queensland of the State Tennis Centre at Tennyson in time for the staging of the Brisbane International Tennis Championships in January 2009.
- Contribute \$1.76 million to the Moreton Bay Regional Council to construct Stage 3 of the State Equestrian Centre incorporating a main covered arena, seating for up to 4000 people and related public and competition amenities at Caboolture

## 2007-08 Achievements

- Launched the “*Find Your 30*” campaign, as the second phase of the Government’s commitment to promoting more active, healthy lifestyles by encouraging Queenslanders to find their 30 minutes of daily physical activity.
- Contributed over \$60 million towards the development of community sport and active recreation opportunities and facilities across Queensland including:
  - \$1.63 million to Cairns Regional Council for upgrades at Barlow Park, Cairns;
  - \$1.47 million to Weipa Swimming Club for construction of an aquatic facility;
  - \$1.28 million to Torres Shire Council for construction of the Horn Island multipurpose facility;
  - \$7.5 million to sport and recreation clubs under the *Minor Facilities Program* to improve local sport and recreation facilities;
  - \$5 million to councils under the *Local Sport and Recreation Program* to establish community recreation and sport facilities, participation programs and services;
  - \$1.5 million to assist sport and active recreation organisations in Central Queensland recover from the effects of flooding; and
  - \$3 million under the *Club Development Program* for sporting clubs’ training and participation initiatives, organisational planning and volunteer management.
- Introduced the *True Sport Lives Here* program in partnership with the sport industry to encourage more appropriate behaviours in junior sport. The initiative includes an Ambassadors program, promotional strategies and a targeted education and training package.
- Invested \$0.45 million for the continued implementation of the *Get Active Children and Young People Strategy* and supported the implementation of *Smart Moves* and Year of Physical Activity to encourage greater participation in physical activity in schools.
- Completed the review of the former *State Development Program* and released a revised, three year program that is better targeted at supporting the development of State level sport and recreation organisations.
- Provided \$2.5 million to support the employment of sport and active recreation officers in Indigenous communities.
- Supported skills development and capacity building within sport and recreation clubs and schools through the delivery of 157 regional education and training workshops for not for profit clubs; 22 coach accreditation programs across Queensland and 250 visits by QAS athletes to schools throughout the State.
- Completed the \$10 million QAS Recovery Centre to further enhance Queensland’s elite training facilities and advance the QAS’s reputation for sporting excellence.
- Worked with Stadiums Queensland to deliver the community open day and events to celebrate the completion of Skilled Park stadium at Robina.



## Output

The Sport and Recreation output - **Sport and Recreation infrastructure, funding, advice and programs** – contributes to the Government's priority of fostering healthy individuals and communities and in particular, through increasing the quality of life by promoting active lifestyles and social participation. In 2008-09 the Department's output will play a direct role in fostering more active, healthy communities through participation in sport and recreation.

## Staffing<sup>1</sup>

Output	Notes	2007-08 Adjusted Budget	2007-08 Est. Actual	2008-09 Estimate
<b>Output</b>				
Sport and Recreation infrastructure, funding, advice and programs	2,3,4	343.1	371.3	371.3
<b>Total</b>		<b>343.1</b>	<b>371.3</b>	<b>371.3</b>

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Proportionate Corporate & Executive Services (CES) and Strategic Policy & Legislation (SPL) FTEs are included.
3. Output name has changed for 2008-09.
4. The variance between the 2007/08 Budget FTEs and 2007/08 Estimated Actual FTEs is largely due to the reapportionment of the proportion of CES and SPL resources allocated to this Output following 2007 Machinery of Government changes.

## 2008-09 Output Summary<sup>1</sup>

Output	Total cost \$'000	Sources of revenue			
		Appropriation \$'000	User charges \$'000	C'wealth revenue \$'000	Other revenue \$'000
Sport and Recreation infrastructure, funding, advice and programs	152,219	143,212	5,669	..	3,338
<b>Total</b>	<b>152,219</b>	<b>143,212</b>	<b>5,669</b>	<b>..</b>	<b>3,338</b>

Note:

1. Explanations of variances are provided in the notes to the Output Income Statement.

# Administered Items

## Description

The Department administers funds on behalf of the State which are provided to:

- the Gold Coast Events Company to support the staging of the annual Indy 300 event; and
- Stadiums Queensland to support the maintenance and operation of its venues.

## Review of Output Performance

### Recent Achievements and Emerging Issues

#### Gold Coast Events Company

The Gold Coast Events Company (GCEC) is a Government-owned company established as the vehicle for holding and managing the Government's 50% stake in the partnership which is the Gold Coast Motor Events Company (GCMEC), which conducts the annual Indy 300 on the Gold Coast.

The four day event is conducted under a partnership agreement between GCEC and the International Management Group of America Pty Ltd (IMG). Under the terms of the partnership agreement, IMG manages the operations of the event and underwrites any losses.

#### Stadiums Queensland

The Department administers an annual grant which is provided to Stadiums Queensland, to assist in maintaining, developing and promoting its eight international standard sporting and entertainment facilities.

### Future Developments

#### Gold Coast Events Company

The Queensland Government provides a non-refundable grant to the race promoter to assist with the staging of the event. The Government will contribute \$11.6 million towards the staging of the 2008 event.

The event provides a significant economic return to Queensland. It is estimated the 2007 event generated an economic benefit consistent with the 2005 event of approximately \$60.1 million to the State. The 2007 event attracted more than 314,000 people over four days. Agreements have secured the future of the event up to and including 2013.

#### Stadiums Queensland

Funding of \$16.074 million will be provided to Stadiums Queensland in 2008-09 to assist with the operation of its venues. During the year, Stadiums Queensland will oversee the completion and opening of the new State Tennis Centre at Tennyson.

# Statements

## Performance Statement

Measures	Notes	2007-08 Target/Est.	2007-08 Est. Actual	2008-09 Target/Est.
<b>Output name: Sport and Recreation infrastructure, funding, advice and programs.</b>				
Percentage increase in Queenslanders participating in the Department's sport and active recreation programs.	1,2	6%	33%	Discontinued
Percentage of Queensland schools utilising <i>Children and Young People Strategy</i> resources.	1,3	10%	10%	Discontinued
Number of Queenslanders participating in the Department's sport and active recreation participation programs.	1,4	475,050	703,055	Discontinued
Percentage of QAS athletes selected for national teams.	5	22%	27%	25%
Participation in departmental sport and active recreation programs:				
<ul style="list-style-type: none"> <li>percentage of Queensland schools accessing the Department's sport and active recreation programs.</li> </ul>	6	New Measure	New Measure	15%
<ul style="list-style-type: none"> <li>total participants in the department's sport and active recreation programs.</li> </ul>	7	New Measure	New Measure	600,000
Stakeholder satisfaction with services provided by QAS.	8	85%	92%	85%
Participant satisfaction with the Department's sport and active recreation programs.	9	75%	82%	85%
Client satisfaction with the Department's advice and other services provided.	1,10	70%	70%	Discontinued
Percentage of Grant notifications within agreed timeframes.	1,11	92%	90%	Discontinued
Percentage of grant and subsidy notifications within agreed timeframes.	12	New Measure	..	95%
Average QAS investment per athlete.	1,13	\$9,000	\$10,670	Discontinued
Total investment in sport and active recreation in Queensland for:				
<ul style="list-style-type: none"> <li>infrastructure.</li> </ul>	14	\$61.9 million	\$54.9 million	\$65.3 million
<ul style="list-style-type: none"> <li>participation and development programs.</li> </ul>	15	\$24.3 million	\$24.3 million	\$27.9 million
<b>State contribution (\$000)</b>		<b>129,212</b>	<b>121,460</b>	<b>143,212</b>
<b>Other revenue (\$000)</b>		<b>7,495</b>	<b>13,159</b>	<b>9,007</b>
<b>Total cost (\$000)</b>		<b>136,707</b>	<b>134,619</b>	<b>152,219</b>

Notes:

1. The department has revised its outputs in response to the Machinery of Government changes in November 2007. The output measures have also been revised to better reflect the impact and effectiveness of the department's programs and services for Queensland communities which is reflected in the new performance measures. Therefore, this measure will be discontinued from 2007-08.
2. Percentage increase from the previous year in participation in the department's sport and active recreation programs. The 2007-08 Estimated Actual is greater than the 2007-08 Target Estimate due to increased participation in programs run at the larger Active Recreation Centres.
3. Percentage of all State and non-State schools that have introduced any part of the *Children and Young People Strategy* resources.
4. Number of participants attending the department's sport and active recreation programs. The 2007-08 Estimated Actual is greater than the 2007-08 Target Estimate due to increased participation in programs run at the larger Active Recreation Centres.
5. Number of QAS athletes selected for national sporting squads compared with the total number of athletes supported through the QAS. The 2007-08 Estimated Actual is greater than the 2007-08 Target Estimate due to national team selections exceeding expectations in swimming, triathlon and some team sports.
6. Number of schools accessing the department's programs divided by total number of schools in Queensland.
7. Count of participants attending the department's sport and active recreation programs.
8. Annual survey of stakeholder satisfaction with services provided by the QAS.
9. Percentage of participants that indicated that they were satisfied or better with the department's sport and active recreation programs.
10. Percentage of survey respondents that indicated that they were satisfied or better with the department's advice and services.
11. Percentage of grant recipients notified within agreed timeframes.
12. Percentage of funding applications notified by the department in accordance with agreed timeframes.
13. Total funds allocated to all QAS contracted athletes divided by total number of athletes receiving funds. The 2007-08 Estimated Actual is greater than the 2007-08 Target Estimate due to accelerated expenditure in the final selection phase for 2008 Olympic Teams, which has resulted in higher per athlete costs.
14. The 2007-08 Estimated Actual is less than the 2007-08 Target and 2008-09 Target due to the realignment of funding from 2007-08 to 2008-09 to meet planned future requirements.
15. Total funds invested each year through the department's sport and active recreation participation and development programs.

## Output Income Statement

Output – Sport and Recreation infrastructure, funding, advice and programs	Notes	2007-08 Adjusted Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
<b>Income</b>				
Output revenue	1, 2	129,212	121,460	143,212
User charges	3	4,096	6,287	5,669
Grants and other contributions	4	3,399	6,864	3,330
Other Revenue		..	8	8
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
<b>Total income</b>		<b>136,707</b>	<b>134,619</b>	<b>152,219</b>
<b>Expenses</b>				
Employee expenses		28,537	31,018	30,751
Supplies and services	5	22,496	28,036	26,328
Grants and subsidies	6, 7	75,989	69,897	88,658
Depreciation and amortisation		4,872	4,833	4,834
Finance/borrowing costs	8	550	550	1,300
Other expenses	5	4,263	285	348
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
<b>Total expenses</b>		<b>136,707</b>	<b>134,619</b>	<b>152,219</b>
<b>OPERATING SURPLUS/ DEFICIT)</b>		<b>..</b>	<b>..</b>	<b>..</b>

### Notes:

1. The 2007-08 Estimated Actual is lower than the 2007-08 Adjusted Budget primarily due to post 2007-08 Budget adjustments to the forward estimates and the realignment of funding to meet the anticipated timing of draw downs in grant funding from approved grant recipients.
2. The 2008-09 Estimate is higher than the 2007-08 Adjusted Budget and is primarily due to forecast increases in the annual forward estimates of the Department's proportional share of gaming machine revenue receipts and additional funding for the Minor Facilities Program and the Major Facilities Program.
3. The 2007-08 Estimated Actual is higher than the 2007-08 Adjusted Budget due to the increased contributions from state and national bodies to the Queensland Academy of Sport programs in the lead up to the Beijing Olympics and due to increased participation at the larger Active Recreation Centres.
4. The 2007-08 Estimated Actual is higher than the 2007-08 Adjusted Budget primarily due to a one off contribution from the Gold Coast City Council towards the construction of the MacIntosh Island Bridge.
5. The 2007-08 Estimated Actual and the 2008-09 Estimate is higher than the 2007-08 Adjusted Budget due to the re-classification of office accommodation charges from Other expenses to Supplies and services.
6. The 2007-08 Estimated Actual is lower than the 2007-08 Adjusted Budget primarily due to the realignment of funding to meet the anticipated timing of draw downs in grant funding from approved grant recipients.
7. The 2008-09 Estimate is higher than the 2007-08 Adjusted Budget primarily due to and additional funding for the Minor Facilities Program and the Major Facilities Program.
8. The 2008-09 Estimate is higher than the 2007-08 Adjusted Budget and the 2007/08 Estimated Actual due to the increase of the servicing of borrowings associated with the Tennyson Riverside Development.

The financial statements, including the Adjusted 2007-08 Budget, reflect adjustments for Machinery of Government changes which took effect during 2007-08.

# Statutory Body

## Prostitution Licensing Authority

### Overview

The *Prostitution Act 1999* (the Act) established the Prostitution Licensing Authority (PLA). The PLA commenced operation on 1 July 2000. The PLA employs 8.5 full-time equivalent staff.

The PLA is responsible for granting brothel licences and managers' certificates to suitable people, regulating the licensed brothel industry, monitoring the provision of prostitution through licensed brothels, receiving complaints about prostitution and approving advertisements for prostitution. The strategic priorities of the PLA are to ensure an efficient and effective brothel licensing regime, to ensure that licensed brothels operate in accordance with the legislation and that the objectives of the legislation are achieved.

The PLA contributes to the Government's outcome Safe and Secure Communities. The PLA administers a regime that has high guarantees of health and safety for sex workers and their clients. Licensed brothels are subject to regular scheduled and unannounced compliance audits, and brothel licence conditions are continually monitored by the PLA and updated as required. The PLA, in conjunction with the Queensland Police Service, conducts exhaustive and extensive probity checks of brothel licence applicants to ensure that they are a suitable person to operate a licensed brothel. There is no evidence of involvement of organised crime or official corruption in licensed brothels.

### Review of Performance

#### Recent Achievements

During 2007-2008 the PLA:

- developed guidelines and a user guide on the approved form for prostitution advertising
- commenced liaison with Queensland Health on potential amendments to the *Prostitution Regulation 2000* regarding sexual health examinations for sex workers at licensed brothels
- revised and updated the PLA's existing fact sheets and developed seven others, as well as published a brochure, *Sex Work in Queensland*
- continued to achieve a high level of compliance by brothel licensees with their statutory obligations and licence conditions
- successfully implemented the changes from the August 2007 amendments to the Act.

#### Future Developments

During 2008-2009 the PLA will:

- enhance the compliance program with more targeted unannounced inspections
- monitor and review the impact of the advertising guidelines
- educate and provide guidance on the new prostitution advertising guidelines
- make any amendments to the *Prostitution Regulation 2000*, which may arise from discussions with Queensland Health.

# Statements

## Performance Statement

Measures	Notes	2007-08 Target/Est.	2007-08 Est. Actual	2008-09 Target/Est.
Number of licensed brothel premises operating		26	24	24
Number of brothel and certificate applications investigated	1	195	191	195
Number of brothel and certificate applications decided	1	206	203	206
Percentage of complaints resolved		>91%	98%	>91%
Number of compliance activities conducted		205	202	205
Number of licensed brothels implementing best practice standards	2	26	24	24
Number of brothels requiring 6 weekly health certificates	3	26	..	Discontinued
Number of brothels requiring three monthly health certificates	4	New measure	24	24
Satisfaction of key local authorities with PLA liaison	5	100%	100%	Discontinued
Satisfaction of applicants with PLA client service		85%	100%	85%
Satisfaction of Self-Health for Queensland Workers in the Sex Industry with liaison between the PLA and the sex industry	6	..	..	Discontinued
Satisfaction of the Independent Assessor with support provided by the PLA		100%	100%	100%
Applications processed within PLA and forwarded to QPS within 30 days	7	95%	99%	Discontinued
Applications processed within PLA and forwarded to QPS within 20 business days	8	New measure	99%	95%
Advertising requests processed within 30 days	9	95%	100%	Discontinued
Complaints to the PLA about prostitution resolved within 30 days	7	95%	98%	Discontinued
Complaints to the PLA resolved within 20 business days	10	New measure	98%	95%
<b>State contribution (\$'000)</b>		<b>575</b>	<b>405</b>	<b>590</b>
<b>Other revenue(\$'000)</b>		<b>787</b>	<b>766</b>	<b>799</b>
<b>Total cost (\$'000)</b>		<b>1,362</b>	<b>1,086</b>	<b>1,389</b>

Notes:

- Numbers include both new and renewed applications.
- All licensed brothels implement best practice standards.
- This measure has been discontinued from 2008-09. Section 9 of the *Prostitution Regulation 2000* has been amended by the *Prostitution Amendment Regulation (No. 1) 2007* to now apply a three monthly interval for medical examination of sex workers at licensed brothels, rather than six weekly as was previously the case. It is a licence condition that all brothels require three monthly health certificates.
- This is a new measure, reflecting the requirement for three monthly medical examinations of sex workers at licensed brothels.
- This measure has been discontinued from 2008-09. The PLA does not engage in regular liaison with local government authorities. The current performance measure, "Satisfaction of the Independent Assessor with support provided by the PLA" addresses the limited relationship that the PLA has with local government authorities.
- This measure has been discontinued from 2008-09. A satisfaction measure is no longer possible as SQWISI has been disbanded and not replaced by another similar representative organisation.
- This measure has been discontinued from 2008-09 and replaced by a measure which specifies 20 business days.



8. This is a new measure replacing the measure, "Applications processed within PLA and forwarded to QPS within 30 days". The use of business days is in greater conformity with the language used in the *Prostitution Act 1999*. Practically, it will involve no change because 20 business days is more or less exactly the same as 30 days.
9. This measure has been discontinued from 2008-09. This reflects changes to the approval of advertisements for prostitution that are contained in the *Prostitution Amendment Act 2006*. The role of the PLA has shifted from approving advertisements to providing advice to the sex industry and publishers on the interpretation and application of the advertising guidelines.
10. This is a new measure replacing the measure, "Complaints to the PLA about prostitution resolved within 30 days". The removal of the reference to 'prostitution' reflects that the measure is about complaints in general, not just complaints about prostitution. The use of business days is in greater conformity with the language used in the *Prostitution Act 1999*. Practically, it involves no change because 20 business days is more or less exactly the same as 30 days.

## Income Statement

Prostitution Licensing Authority	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
<b>Income</b>				
User charges		..	..	..
Grants and other contributions	1,6	575	405	590
Other revenue		787	766	799
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
<b>Total income</b>		<b>1,362</b>	<b>1,171</b>	<b>1,389</b>
<b>Expenses</b>				
Employee expenses	2,7	756	607	788
Supplies and services	4,8	371	395	521
Grants and subsidies		..	..	..
Depreciation and amortisation		23	22	22
Finance/borrowing costs		..	..	..
Other expenses	3,5	212	62	58
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
<b>Total expenses</b>		<b>1,362</b>	<b>1,086</b>	<b>1,389</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>..</b>	<b>85</b>	<b>..</b>

## Statement of Changes in Equity

Prostitution Licensing Authority	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		..	..	..
<b>Net income recognised directly in equity</b>		<b>..</b>	<b>..</b>	<b>..</b>
Surplus/(deficit) for the period		..	85	..
<b>Total recognised income and expense for the period</b>		<b>..</b>	<b>85</b>	<b>..</b>
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
<b>Total movement in equity for period</b>		<b>..</b>	<b>85</b>	<b>..</b>

## Balance Sheet

Prostitution Licensing Authority	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
<b>CURRENT ASSETS</b>				
Cash assets	9,11,15	564	918	764
Receivables		10	11	11
Other financial assets		..	..	..
Inventories		..	..	..
Other		..	2	2
Non-financial assets held for sale		..	..	..
<b>Total current assets</b>		<b>574</b>	<b>931</b>	<b>777</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	12,16	121	119	100
Intangibles		..	..	..
Other		..	..	..
<b>Total non-current assets</b>		<b>121</b>	<b>119</b>	<b>100</b>
<b>TOTAL ASSETS</b>		<b>695</b>	<b>1,050</b>	<b>877</b>
<b>CURRENT LIABILITIES</b>				
Payables		33	36	36
Employee benefits obligations	13	52	59	62
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	10,17	145	321	151
<b>Total current liabilities</b>		<b>230</b>	<b>416</b>	<b>249</b>
<b>NON-CURRENT LIABILITIES</b>				
Payables		..	..	..
Employee benefits obligations	14,18	28	25	19
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
<b>Total non-current liabilities</b>		<b>28</b>	<b>25</b>	<b>19</b>
<b>TOTAL LIABILITIES</b>		<b>258</b>	<b>441</b>	<b>268</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>437</b>	<b>609</b>	<b>609</b>
<b>EQUITY</b>				
Capital/contributed equity		..	..	..
Retained surplus/(Accumulated deficit)		437	609	609
Reserves:				
- Asset revaluation reserve		..	..	..
- Other (specify)		..	..	..
<b>TOTAL EQUITY</b>		<b>437</b>	<b>609</b>	<b>609</b>

## Cash Flow Statement

Prostitution Licensing Authority	Notes	2007-08 Budget \$'000	2007-08 Est. Act. \$'000	2008-09 Estimate \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
User charges		..	..	..
Grants and other contributions		405	405	420
Other	19,26	847	750	849
<b>Outflows:</b>				
Employee costs	20,27	(759)	(655)	(791)
Supplies and services	24,28	(423)	(442)	(571)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other	21,25	(212)	(62)	(58)
<b>Net cash provided by/(used in) operating activities</b>		<b>(142)</b>	<b>(4)</b>	<b>(151)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Inflows:</b>				
Sales of property, plant and equipment	22	72	62	71
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
<b>Outflows:</b>				
Payments for property, plant and equipment and intangibles	23,29	(74)	(34)	(74)
Payments for investments		..	..	..
Loans and advances made		..	..	..
<b>Net cash provided by/(used in) investing activities</b>		<b>(2)</b>	<b>28</b>	<b>(3)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		..	..	..
Equity injections		..	..	..
<b>Outflows:</b>				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
<b>Net cash provided by/(used in) financing activities</b>		<b>..</b>	<b>..</b>	<b>..</b>
<b>Net increase/(decrease) in cash held</b>		<b>(144)</b>	<b>24</b>	<b>(154)</b>
<b>Cash at the beginning of financial year</b>		<b>708</b>	<b>894</b>	<b>918</b>
Cash transfers from restructure		..	..	..
<b>Cash at the end of financial year</b>		<b>564</b>	<b>918</b>	<b>764</b>

# Explanation of Variances in the Financial Statements

## Income Statement

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

1. The decrease in grants is due to a research program commencing in 2008-09 rather than 2007-08.
2. The decrease in employee expenses is due to staff vacancies and movements.
3. The decrease in other expenses is due to the transfer of the lease expense to supplies and services.

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

4. The increase in supplies and services is due to a research program commencing in 2008-09 rather than 2007-08.
5. The decrease in other expenses is due to the transfer of the lease expense to supplies and services.

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

6. The increase in grants is due to a research program commencing in 2008-09 rather than 2007-08.
7. The increase in employee expenses is due to the appointment of staff to vacancies.
8. The increase in supplies and services is due to a research program commencing in 2008-09 rather than 2007-08.

## Balance Sheet

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

9. The increase in cash assets is mainly due to a research program commencing in 2008-09 rather than 2007-08.
10. The increase is due to a research program commencing in 2008-09 rather than 2007-08.

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

11. The increase in cash assets is mainly due to the growth of the industry and the reduced investment in non-current assets.
12. The decrease is due to the depreciation of non-current assets.
13. The increase in employee benefit obligations is mainly due to the appointment of staff to vacancies.
14. The decrease in non-current employee obligations is due to the reduction in the annual leave balance.

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

15. The decrease in cash assets is mainly due to a research program being finalised in 2008-09 rather than 2007-08.
16. The decrease is due to the depreciation of non-current assets.
17. The decrease is due to a research program being finalised in 2008-09 rather than 2007-08.
18. The decrease in non-current employee obligations is due to the reduction in the annual leave balance.

## Cash Flow Statement

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

19. The decrease in cash is due to the proposed increase in licence fees not being realised until proclamation of the Bill and the timing of receipt of brothel licence and managers' certificate applications.
20. The decrease in employee expenses is due to staff vacancies and movements.
21. The decrease in other expenses is due to the transfer of the lease expense to supplies and services.
22. The variation is a result of the adjustment to the asset replacement program.
23. The variation is a result of the adjustment to the asset replacement program.

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

24. The variation is due to a research program being finalised in 2008-09 rather than 2007-08.
25. The decrease in other expenses is due to the transfer of the lease expense to supplies and services.

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

26. The variation is mainly due to the timing of receiving brothel licence and manager certificate fees.
27. The increase in employee expenses is mainly due to the appointment of staff to vacancies.
28. The variation is due to a research program being finalised in 2008-09 rather than 2007-08.
29. The variation is a result of the adjustment to the asset replacement program.