

PART 15

Department of Police

Summary of departmental portfolio budgets

Page	Agency	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
3-141	Department of Police - controlled	1,816,077	1,800,850	1,888,501
	Department of Police - administered	441	441	701
3-161	Prostitution Licensing Authority	1,392	1,256	1,470

Note:

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

DEPARTMENTAL OVERVIEW

MINISTERIAL RESPONSIBILITY

The Minister for Police, Corrective Services and Emergency Services is responsible for the Department of Police.

STRATEGIC ISSUES

As the primary law enforcement agency for the State of Queensland, the Queensland Police Service (QPS) is responsible for the delivery of policing services state-wide.

The QPS's strategic objectives focus on enhancing community safety and security and increasing the community's confidence and satisfaction with police. These objectives, and the activities undertaken to achieve them, underpin the Government's *Toward Q2: Tomorrow's Queensland* ambitions, particularly *Fair—Supporting safe and caring communities*. The QPS also contributes to a range of national, state and local initiatives including *Closing the Gap on Indigenous Disadvantage* and the *National Road Safety Strategy*.

In 2011-12, the strategic challenges facing the QPS include:

- globalisation: the increasing use and accessibility of technology and its ability to facilitate serious and organised crime
- the increasing severity of natural disasters, including the human and animal contagions arising from climate change
- increasing usage of the Queensland road network; bringing the risk of more road crashes
- continuing over-representation of vulnerable people in the criminal justice system
- demographic changes and rising demands for service.

In response to these issues the QPS has identified service delivery priorities for 2011-12, including:

- delivering high quality client service and encouraging staff to own and display the QPS values of professionalism, performance, people and partnerships
- working with other government departments, non-government stakeholders, private sector agencies and the community to prevent crime
- targeting anti-social behaviour and youth violence
- addressing the community impact of domestic and family violence
- targeting major and organised crime, particularly fraud and outlaw motorcycle gangs, by enhancing inter-jurisdictional co-operation and seizing the proceeds of crime
- promoting a coordinated, 'all hazards', all agency approach to managing disasters, major events and other incidents
- developing effective, evidence-based traffic policing strategies.

2011-12 HIGHLIGHTS

The 2011-12 Budget of \$1.889 billion will ensure the delivery of effective core policing services to the Queensland community—more police, new facilities and better technology to fight crime.

Key programs and initiatives for 2011-12 include:

- an additional 150 police positions to complete the Government's commitment of delivering up to 600 new police positions in the three years to March 2012

- \$54.9 million to continue development of the new, state of the art Police Academy at Wacol. When complete, this facility will deliver a full range of education and training programs for trainee and operational police
- \$43.8 million for capital works across the State including:
 - \$5 million towards completion of the \$7.6 million refurbishment of Beenleigh Police Station;
 - \$1.5 million to construct the new Burleigh Heads Police Beat and \$0.5 million to refurbish the existing Burleigh Heads Police Complex;
 - \$2.5 million to complete construction of the \$3 million upgrade to Calliope Police Station;
 - \$1 million to provide a new police station at Carina to replace Camp Hill Police Station at a total cost of \$2.6 million;
 - \$1.3 million to deliver the \$2.2 million upgrade of Goodna Police Station;
 - \$6.5 million to complete construction of the replacement Lockhart River Police Station at a revised project cost of \$9 million;
 - \$3.8 million to provide an upgrade to the heritage-listed police facility at Mackay with a total project cost of \$4 million;
 - \$2.4 million to continue construction of the new \$3 million Oxley District Forensic Facility;
 - \$1.4 million towards completion of the \$2.5 million refurbishment of the Pine Rivers District Office; and
 - \$1.6 million to further progress the new \$12 million Townsville District Police Facility.
- \$51.1 million for a range of information and communication technology (ICT) initiatives, including:
 - a Computer Aided Dispatch (CAD) system;
 - upgrading existing resources through technology refresh; and
 - the Digital Integrated Traffic Camera System.
- \$77.5 million for the purchase of new and upgraded operational equipment including vehicles, traffic cameras and marine vessels
- \$21.7 million in additional funding to support the continued deployment of speed cameras throughout Queensland aimed at reducing road trauma. The funding will provide for mobile and fixed speed camera operations over 2011-12
- \$3.1 million to continue the trial of the Drink Safe Precinct Project; countering alcohol-related violence in Townsville, Surfers Paradise and Fortitude Valley. This is part of a two year, whole of Government initiative, with total program funding of \$8.5 million.

RECENT ACHIEVEMENTS

- The road toll for 2010 was 249, which is 82 fewer than the previous year and the lowest road toll for a calendar year in Queensland since accurate records began in 1952. This represents 5.52 fatalities per 100,000 population – a decrease of 26.2% when compared to the fatality rate for the 2009 calendar year. As at 1 May 2011, the road toll was 80 fatalities, which is 9 fatalities greater than the corresponding period in 2010 and 40 fatalities less than the same period in 2009. This outcome was supported by a \$22.7 million investment to support and deliver more than 74,500 hours of mobile speed camera operations, including covert camera, and 80,000 hours of fixed speed camera operations.

- Staff responded to flood and cyclone events across the State including deployment of 383 extra staff and 28 vehicles into Cyclone Yasi affected areas in the first two weeks of February 2011. Part of the flood response included the establishment of Operation Safeguard—a three week operation focused on property security and crime prevention in flood affected areas of Brisbane and Ipswich. Operation Safeguard involved 386 sworn officers, including police from New South Wales, Victoria and South Australia, and resulted in the arrest of 81 people on 225 charges.
- The coordinated response to Queensland's natural disasters was assisted by amendments to the *Disaster Management Act 2003* and the *Public Safety Preservation Act 1986*, facilitating a better response and enhanced interoperability between police and emergency services.
- At 1 May 2011 the QPS had 10,489 police officers servicing Queensland communities - a significant milestone in the Government's commitment to providing over 10,600 police officers by March 2012.
- \$1.8 million was provided for additional police officer hours between December 2010 and June 2011 as part of the two year trial of the Drink Safe Precincts in Townsville, Surfers Paradise and Fortitude Valley. The trial supports enhanced, targeted and flexible police responses; improved coordination of security; improved transport and traffic control; and coordinated processes between community groups, security, police and licensed premises. The first three months of the trial provided 7,960 additional police hours. During this period police intervened on 763 occasions to prevent conflict, made 1,029 arrests, issued 605 move-on directions and used other methods of de-escalation on 477 occasions.
- In November 2010 new laws commenced allowing police to issue on the spot fines to offenders creating a public nuisance; removing them from the court process. Up until 31 March 2011, over 4,400 infringement notices had been issued.
- Other police enforcement activities targeting alcohol fuelled violence and anti-social behaviour included:
 - Operation Unite; a joint initiative of Police Commissioners across Australia and New Zealand to challenge alcohol misuse, crime, violence and anti-social behaviour. Three operations were conducted during the 2010-11 financial year, resulting in a total of 844 arrests and 385 drink driving charges; and
 - the continuation of the One Punch Can Kill campaign; designed to reduce assaults among young people.
- \$57.5 million was provided for capital works infrastructure projects. This included the completion of (as at 31 March 2011):
 - an extension of Thursday Island Water Police facilities;
 - the refurbishment of Richlands Watchhouse and upgrade of its CCTV equipment;
 - replacement police stations and watchhouses at Murgon and Mareeba;
 - the new Sunshine Coast District Water Police facility; and
 - the Driver Training Centre at the new Queensland Police Academy site at Wacol.
- The Driver Training Centre was officially opened in November 2010 at a total cost of \$12 million. The Centre consists of a simulated road circuit of asphalt, gravel and tar roads, manoeuvre areas, an urban streetscape, a four-wheel drive skills and recovery area, a motorcycle training track and scenario buildings for tactical operations.
- The new police contact centre, Policelink, commenced operation in August 2010. Policelink provides enhanced response management for people reporting non-urgent matters to police and, since December 2010, also incorporates the 13HOON hotline. As at 31 March 2011, over 560,000 calls have been managed by Policelink, including over 25,000 calls relating to disaster events.

- Funding of \$50.2 million was provided for ICT initiatives, including:
 - ongoing investment in the development of the new Weapons Licensing Management System. This will improve customer service by streamlining processes for licence holders, firearm dealers and shooting clubs;
 - the establishment of a permanent telecommunications interception facility. This enables the QPS and the Crime and Misconduct Commission to monitor a wide range of communications used by criminals to facilitate crime. This capability has already contributed to seizures of significant amounts of illegal drugs and the identification of proceeds of crime; and
 - the appointment of a vendor and commencement of design and development for a new CAD system. The new CAD system will be implemented across five police communications centres, replacing the existing CAD system which has reached the end of its functional lifecycle. The capability of the new CAD system will deliver significant benefits, including improved public and officer safety by enabling more efficient responses to calls for service and management of frontline resources.
- Task Force Argos has continued to be internationally recognised for its success in combating organised paedophilia, institutionalised abuse, child exploitation and computer facilitated child exploitation. During 2010-11 up to 31 March 2011, Task Force Argos commenced proceedings against 72 offenders on 266 charges and seized over 392,000 new child exploitation images, along with 520 hours of child exploitation video.
- The *Prostitution and other Acts Amendment Bill 2010* was passed in September 2010 to enhance the regulation of prostitution.

DEPARTMENTAL SERVICES

Following a review of its services and associated service standards, the QPS has adopted a new reporting framework for 2011-12. The changes see the QPS move to six service areas, down from nine.

The first five QPS service areas have been retained and describe direct services to the community: Professional standards and ethical practice, Personal safety, Property security, Traffic policing, and Public order and safety. Expenditure and non-financial performance is reported against these service areas.

Client service performance information will now be allocated across these five service areas, recognising that client service is a critical aspect of all service delivery to the community.

The remaining three services of Strategic positioning and response, Human resource management, and Financial management have been combined into a new service area called Service delivery support.

Professional standards and ethical practices

This service area covers activities to promote ethical behaviour, discipline and professional practice to ensure the community and visitors to the community have confidence in, and respect for, the QPS.

Personal safety

Activities reported here include the policing responses to protect personal safety and prevent and detect related offences including homicide, assault, sexual assault, robbery and total personal safety.

Property security

This service area describes the activities to protect property and prevent and detect related offences including unlawful entry, other property damage, motor vehicle theft, other theft (excluding unlawful entry) and total property security.

Traffic policing

Traffic policing includes activities to enforce traffic law and reduce road trauma including through the prevention and detection of speeding, red light offences, driving under the influence of alcohol or drugs, driving while fatigued and not wearing seatbelts.

Public order and safety

This service area describes activities directed at maintaining public order and safety during major events and natural disasters—from planning to recovery. Public order issues include those related to public space enjoyment, street and nuisance offences, liquor licensing issues, and environmental design to reduce crime including alcohol fuelled violence.

Service delivery support

Activities reported under this service area support the provision of policing functions.

STAFFING¹

Service areas	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
Service	2,3,4			
Professional Standards and Ethical Practice		2,241	2,165	2,209
Personal Safety		3,173	3,334	3,403
Property Security		3,091	3,135	3,200
Traffic Policing		2,805	2,816	2,874
Public Order and Safety		3,401	3,261	3,329
Total services		14,711	14,711	15,015

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate FTEs are allocated across the services to which they relate.
3. Due to the application of internal charging for corporate services activities within the department, corporate services employee expenses are incorporated in the 'departmental financial statements' as part of 'supplies and services' expense.
4. The allocation of resources is guided by the results of the QPS' activity based costing methodology, the *State-Wide Activity Survey*.

2011-12 SERVICE SUMMARY¹

Service areas	Total cost \$'000	Sources of revenue			
		State Contribution \$'000	User charges \$'000	C'wealth revenue \$'000	Other revenue \$'000
Professional Standards and Ethical Practice	290,413	281,333	5,573	89	3,418
Personal Safety	423,419	404,044	12,793	130	6,452
Property Security	398,179	379,961	12,031	121	6,066
Traffic Policing	362,314	346,587	10,453	111	5,163
Public Order and Safety	414,176	395,227	12,513	126	6,310
Total	1,888,501	1,807,152	53,363	577	27,409

Note:

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

ADMINISTERED ITEMS

DESCRIPTION

Three programs were administered through the QPS during the 2010-11 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 then 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.

Administered funding includes revenue for fees, fines and forfeitures collected on behalf of the Government.

RECENT ACHIEVEMENTS

The Gun Buyback Compensation Scheme commenced in 1996-97. Costs were met by the Australian Government for weapons prohibited and returned in Queensland. Administrative arrangements for this scheme have been finalised following successful resolution of outstanding litigation in 2009.

The Handgun Buyback Compensation Program commenced in 2003-04. Costs were met by both the Australian Government and the State for the handguns prohibited and returned in Queensland. This scheme has been concluded.

These two programmes are expected to be finalised in 2010-11.

The 2010-11 allocation of \$0.44 million for the operation of the Prostitution Licensing Authority allowed for the continuing operating and legal costs of the Authority.

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

DEPARTMENTAL STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Professional Standards and Ethical Practice - Service standards				
Rate of complaints against police per 100 sworn (operational staff)	1	≤ 25.4	20.3	< 20.3
Public perception of police professionalism and image:	2,3			
- Police perform their job professionally		≥ 80.7%	86%	≥ 85%
- Police treat people fairly and equally		≥ 68.6%	74.8%	≥ 75%
- Police are honest	4	≥ 78.6%	72%	≥ 75%
- I do have confidence in the police		≥ 81.7%	85.7%	≥ 85%
Satisfaction of members of the public who had contact with police in the last twelve months	2,3,5	≥ 80.6%	85.7%	≥ 85%
State contribution (\$000)		\$285,541	\$268,386	\$281,333
Other revenue (\$000)		\$11,720	\$8,534	\$9,080
Total cost (\$000)	6	\$297,261	\$276,920	\$290,413
Service Area: Personal Safety - Service standards				
Rate (per 100,000 population) of personal safety offences reported:	7,8			
- Homicide		2-4	2	2-4
- Assault		470-510	437	420-460
- Sexual assault		120-160	116	110-160
- Robbery		40-50	38	30-50
- Total personal safety		720-820	678	720-820
Client satisfaction with the police response to personal safety offences	9,10,11	New measure	67%	≥ 70%
Other measures				
Number of personal safety offences reported:	7,8,12			
- Homicide		..	111	110-170
- Assault		..	19,853	19,000-22,000
- Sexual assault		..	5,279	5,000-6,500
- Robbery		..	1,720	1,700-2,000
- Total personal safety		..	30,768	30,000-34,000

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Number of personal safety offences cleared:	7,8,13,14			
- Homicide		> 167	116	> 116
- Assault		> 18,411	16,935	> 16,935
- Sexual assault		> 4,919	4,784	> 4,784
- Robbery		> 1,213	1,055	> 1,055
- Total personal safety		> 27,605	25,459	>25,459
State contribution (\$000)		\$368,101	\$386,764	\$404,044
Other revenue (\$000)		\$17,579	\$16,992	\$19,375
Total cost (\$000)		\$385,680	\$403,756	\$423,419

Service Area: Property Security - Service standards

Rate (per 100,000 population) of 8,15

property security offences reported:

- Unlawful entry	1,000-1,250	945	900-1,150
- Other property damage	900-1,100	923	900-1,100
- Motor vehicle theft	200-240	209	200-240
- Other theft (excl unlawful entry)	1,950-2,250	2,118	1,950-2,250
- Total property security	4,600-5,600	4,700	4,600-5,600

Client satisfaction with the police response to property security offences	10,11	New measure	75.4%	≥ 75%
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Other measures

Number of property security offences reported: 8,15,16

- Unlawful entry	..	42,917	40,000-50,000
- Other property damage	..	41,897	40,000-50,000
- Motor vehicle theft	..	9,488	8,000-11,000
- Other theft (excl unlawful entry)	17	96,196	90,000-100,000
- Total property security	..	213,447	190,000-230,000

Number of property security offences cleared: 8,14,15

- Unlawful entry	13	> 10,315	9,139	> 9,139
- Other property damage		> 13,011	13,276	> 13,276
- Motor vehicle theft		> 3,224	3,359	> 3,359
- Other theft (excl unlawful entry)		> 27,953	28,397	> 28,397
- Total property security		> 74,788	73,173	> 73,173

State contribution (\$000)		\$358,591	\$363,708	\$379,961
Other revenue (\$000)		\$17,124	\$15,979	\$18,218
Total cost (\$000)		\$375,715	\$379,687	\$398,179

Service Area: Traffic Policing - Service standards

Rate (per 100,000 population) of road crash fatalities 18,19,20 < 6.1 5.54 ≤ 6.25

Rate (per 100,000 population) of persons hospitalised following a crash 21

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Other measures				
Number of vehicles monitored per offence by:				
- Speed cameras	22	80-110:1	101:1	80:120-1
- Red light cameras	23	1,600-1,900:1	2,823:1	1,900-3,000:1
State contribution (\$000)		\$329,350	\$331,651	\$346,587
Other revenue (\$000)		\$14,732	\$13,894	\$15,727
Total cost (\$000)		\$344,082	\$345,545	\$362,314
Service Area: Public Order and Safety - Service standards				
Rate (per 100,00 population) of good order offences detected	24,25	1,100-1,250	1,055	1,000-1,200
Public satisfaction with police dealing with public order problems	3	≥ 52.9%	68.9%	≥ 65%
Public satisfaction with police dealing with disasters and major events	11	80%-90%	89.9%	≥ 85%
State contribution (\$000)		\$394,622	\$378,321	\$395,227
Other revenue (\$000)		\$18,717	\$16,621	\$18,949
Total cost (\$000)		\$413,339	\$394,942	\$414,176
Service Area: Service Delivery Support - Service standards				
Cost of policing services per person	26	New measure	\$394	≤ \$395
Other measures				
Operational staff (sworn and unsworn) per 100,000 population	27	New measure	298	≥ 262

Notes:

1. 2010-11 Estimated actual was calculated using the 2011 Report on Government Services definition of 'complaints' which differs from the definition used to calculate the 2010-11 Target/estimate. The 2010-11 Estimated actual includes complaints made against on-duty and off-duty police officers by members of the public. The 2011-12 Target/estimate is for the rate of complaints to be less than the 2010-11 Estimated actual. Rate is calculated on the number of operational (sworn) officers as at 30 June 2010.
2. The QPS sets its performance targets by having regard to a range of factors including previous QPS performance and national average performance. Data on national average performance is published in the Report on Government Services. The use of such benchmarks is considered good practice in performance management and is consistent with the 2008 review of the QPS by the Service Delivery and Performance Commission.
3. The 2010-11 Estimated actual and the 2011-12 Target/estimate were derived from the *National Survey of Community Satisfaction with Policing* for the period of 1 July 2010 to 31 March 2011. The 2011-12 Target/estimate is to be greater than or equal to the national average for the same period. A change in survey provider as of 1 July 2010 may have impacted on the 2010-11 Estimated actual.
4. From 1 July 2010 the wording of this question was changed from 'Most police are honest' to 'Police are honest'. Although there has been a decrease in agreement with the new statement, there has been no corresponding increase in disagreement; instead, there has been an increase in neutral responses.
5. This service standard has been moved from 'Client service' (discontinued service). Client service is fundamental to all services QPS delivers to the Queensland community. In recognition of this, client service performance information is now reviewed against the service to which it relates.
6. The cost variation is mainly due to a change in the depreciation costs of the asset base allocated to this service area.
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 and conspiracy to murder.
8. The 2010-11 Estimated actual is based on an extrapolation of July 2010-March 2011 statistics. These figures will vary from statistics calculated using actual financial year data.
9. Derived from the *Queensland Police Service Crime Victims' Survey 2010*. Personal safety offences include the four categories of sexual offence, robbery, assault and personal offence. Property security offences cover the categories of unlawful entry, vehicle theft, wilful damage and stealing.

10. Derived from the *Queensland Police Service Crime Victims' Survey 2010*. New service standard based on previously combined standard 'Client satisfaction with the police response to personal safety and property security offences' reported under Client service (discontinued service).
11. The QPS sets its performance targets by having regard to a range of factors including previous QPS performance and any known factors that are likely to have an impact in the forthcoming 12 months, such as government funding for special initiatives. National average performance data is not available for this measure.
12. The 2010-11 Target/estimate is unavailable because this service standard was previously recorded as the number and rate of personal safety offences reported. The 2010-11 Target/estimate was only provided as a rate per 100,000 population for that service standard.
13. The Estimated actual number of offences cleared in 2010-11 may be lower than expected due to the significant amount of resources dedicated to disaster management activities during this period. The QPS played a key role in responding to flooding across the State and Cyclone Yasi in North Queensland.
14. The number of offences cleared relates to the total number of offences cleared in the period regardless of when they were reported. The 2011-12 Target/estimate is to be greater than the 2010-11 Estimated actual.
15. 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.
16. The 2010-11 Target/estimate is unavailable because this service standard was previously recorded as the number and rate of property security offences reported. The 2010-11 Target/estimate was only provided as a rate per 100,000 population for that service standard.
17. The highest volume driver of other theft (excl unlawful entry) is shop stealing, and an increase in this category could be a result of the recent financial downturn. In addition, there has been a noted increase in the use of shop stealing to facilitate large-scale re-selling of stolen property online directly by the offender, rather than through traditional third-parties such as pawnbrokers.
18. The service standard is now expressed as a rate per 100,000 population. This gives a more meaningful measure of road crash fatalities as it takes population growth into account.
19. The 2011-12 Target/estimate has been obtained through consultation with Department of Transport and Main Roads, which included consideration of the recent trend, economic indicators and the potential effects of road safety initiatives.
20. Road Crash Casualty data was extracted on 7 April 2011, and should be viewed as preliminary and subject to change.
21. 2008-09 data showed a rate of 148.17 persons hospitalised following a crash. More recent crash data is unavailable. Target/estimate for 2010-11 and 2011-12 were unable to be estimated for the same reason.
22. The speed camera figures relate to marked and covert mobile speed cameras combined. The increased detection rate is attributed to the introduction of covert mobile speed cameras in addition to marked speed camera operations.
23. The 2010-11 Estimated actual figure for the red light camera combines analogue and digital red light cameras. Digital red light cameras commenced operating in the Brisbane metropolitan area on 25 October 2010. There was an increase in the number of vehicles monitored per offence for red light cameras in this reporting period, indicating that fewer vehicles travelled through a red signal at intersections where a red light camera was operating, which is a positive indicator for road safety.
24. The Estimated actual rate of good order offences detected in 2010-11 may be lower than expected due to the significant amount of resources dedicated to disaster management activities during this period. The QPS played a key role in responding to flooding across the State and Cyclone Yasi in North Queensland.
25. This measure is now expressed as a rate per 100,000 population to bring consistency with other service standards. A rate gives a more meaningful measure of crime trends than raw numbers, as the rate takes population growth into account.
26. The 2011-12 target has been estimated by increasing the 2009-10 national average by 3% each year in line with the Consumer Price Index (CPI). The 2009-10 national average was obtained from the 2011 Report on Government Services.
27. The definition of operational staff includes both sworn and unsworn employees. The QPS currently exceeds the national average of 262 for all policing services as reported in the 2011 Report on Government Services.

INCOME STATEMENT

Department of Police	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
Income				
Service revenue	1,5,10	1,736,205	1,728,830	1,807,609
User charges	6,11	51,561	51,809	53,363
Grants and other contributions	2,12	23,044	14,944	22,262
Other revenue		3,267	3,267	3,267
Gains on sale/revaluation of property, plant and equipment and investments		2,000	2,000	2,000
Total income		1,816,077	1,800,850	1,888,501
Expenses				
Employee expenses	7,13	1,375,092	1,377,782	1,446,501
Supplies and services	3,8,14	328,647	321,548	338,299
Grants and subsidies		3,082	3,082	3,082
Depreciation and amortisation		83,180	82,362	84,543
Finance/borrowing costs		..	..	..
Other expenses	4,9	24,076	14,076	14,076
Losses on sale/revaluation of property, plant and equipment and investments		2,000	2,000	2,000
Total expenses		1,816,077	1,800,850	1,888,501
OPERATING SURPLUS/(DEFICIT)		..	..	..

STATEMENT OF CHANGES IN EQUITY

Department of Police	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
Net effect of the changes in accounting policies and prior year adjustments	
Increase/(decrease) in asset revaluation reserve		55,636	64,139	66,542
Net amount of all revenue and expense adjustments direct to equity not disclosed above	
Net income recognised directly in equity		55,636	64,139	66,542
Surplus/(deficit) for the period	
Total recognised income and expense for the period		55,636	64,139	66,542
Equity injection/(withdrawal)		114,529	97,994	122,763
Equity adjustments (MoG transfers)	
Total movement in equity for period		170,165	162,133	189,305

BALANCE SHEET

Department of Police	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
CURRENT ASSETS				
Cash assets	15,25	20,887	2,593	2,593
Receivables	16,26	47,993	57,105	57,105
Other financial assets		..	..	..
Inventories		3,438	3,267	3,267
Other	17,27	14,861	6,723	6,723
Non-financial assets held for sale		3,603	1,825	1,825
Total current assets		90,782	71,513	71,513
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	18,28,35	2,076,586	1,921,708	2,111,107
Intangibles	19,29	70,214	60,217	60,123
Other		..	..	..
Total non-current assets		2,146,800	1,981,925	2,171,230
TOTAL ASSETS		2,237,582	2,053,438	2,242,743
CURRENT LIABILITIES				
Payables	20,30	51,579	64,568	64,568
Accrued employee benefits	21,31	40,856	45,245	45,245
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	22,32	14,988	2,525	2,525
Total current liabilities		107,423	112,338	112,338
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	..	..
TOTAL LIABILITIES		107,423	112,338	112,338
NET ASSETS/(LIABILITIES)		2,130,159	1,941,100	2,130,405
EQUITY				
Capital/contributed equity	23,33,36	817,800	741,872	864,635
Retained surplus/(accumulated deficit)		382,090	391,721	391,721
Reserves:				
- Asset revaluation surplus	24,34,37	930,269	807,507	874,049
- Other (specify)		..	..	..
TOTAL EQUITY		2,130,159	1,941,100	2,130,405

CASH FLOW STATEMENT

Department of Police	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts	38,42,48	1,736,205	1,717,713	1,807,609
User charges	43	51,561	53,872	53,363
Grants and other contributions	39,44,49	2,044	3,944	11,262
Other		3,267	3,267	3,267
Outflows:				
Employee costs	45,50	(1,375,092)	(1,374,282)	(1,446,501)
Supplies and services	40,46,51	(328,647)	(307,748)	(338,299)
Grants and subsidies		(3,082)	(3,082)	(3,082)
Borrowing costs		..	..	..
Other		(3,076)	(3,076)	(3,076)
Net cash provided by/(used in) operating activities		83,180	90,608	84,543
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		20,000	20,000	20,000
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	41,47,52	(217,709)	(200,356)	(227,306)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		(197,709)	(180,356)	(207,306)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		168,935	143,962	177,664
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		(54,406)	(54,406)	(54,901)
Net cash provided by/(used in) financing activities		114,529	89,556	122,763
Net increase/(decrease) in cash held		..	(192)	..
Cash at the beginning of financial year		20,887	2,785	2,593
Cash transfers from restructure		..	..	..
Cash at the end of financial year		20,887	2,593	2,593

ADMINISTERED INCOME STATEMENT

Department of Police	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
Revenues				
Commonwealth grants		..	..	..
Taxes, fees and fines	53,55	7,949	7,954	8,440
Royalties, property income and other territorial Revenue		..	..	..
Interest		..	..	..
Administered revenue	54,56	441	441	701
Other		250	250	250
Total revenues		8,640	8,645	9,391
Expenses				
Supplies and services		..	..	..
Depreciation and amortisation		..	..	..
Grants and subsidies		441	441	701
Benefit payments		..	..	..
Borrowing costs		..	..	..
Other		..	..	..
Total expenses		441	441	701
Net surplus or deficit before transfers to Government		8,199	8,204	8,690
Transfers of administered revenue to Government		8,199	8,204	8,690
OPERATING SURPLUS/(DEFICIT)		..	..	..

ADMINISTERED BALANCE SHEET

Department of Police	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
CURRENT ASSETS				
Cash assets		2,849	3,009	3,009
Receivables		(2)	(3)	(3)
Inventories	
Other	
Non-financial assets held for sale	
Total current assets		2,847	3,006	3,006
NON-CURRENT ASSETS				
Receivables	
Other financial assets	
Property, plant and equipment	
Intangibles	
Other	
Total non-current assets	
TOTAL ADMINISTERED ASSETS		2,847	3,006	3,006
CURRENT LIABILITIES				
Payables		58	234	234
Transfers to Government payable		50	60	60
Interest-bearing liabilities	
Other		2,739	2,712	2,712
Total current liabilities		2,847	3,006	3,006
NON-CURRENT LIABILITIES				
Payables	
Interest-bearing liabilities	
Other	
Total non-current liabilities	
TOTAL ADMINISTERED LIABILITIES		2,847	3,006	3,006
ADMINISTERED NET ASSETS/(LIABILITIES)	
EQUITY				
Capital/Contributed equity	
Retained surplus/(Accumulated deficit)	
Reserves:	
- Asset revaluation surplus	
- Other (specify)	
TOTAL ADMINISTERED EQUITY	

ADMINISTERED CASH FLOW STATEMENT

Department of Police	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Administered item receipts	57,60	441	441	701
Grants and other contributions		..	..	..
Taxes, fees and fines	58,61	7,949	7,954	8,440
Royalties, property income and other territorial revenues		..	..	..
Other		250	250	250
Outflows:				
Transfers to Government	59,62	(8,199)	(8,204)	(8,690)
Grants and subsidies		(441)	(441)	(701)
Supplies and services		..	..	..
Borrowing costs		..	..	..
Other		..	..	..
Net cash provided by/(used in) operating activities		..	..	..
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		..	..	..
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		..	..	..
Net increase/(decrease) in cash held		..	..	..
Administered cash at beginning of financial year		2,849	3,009	3,009
Cash transfers from restructure		..	..	..
Administered cash at end of financial year		2,849	3,009	3,009

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. Service revenue variance is mainly due to a reduction in funding for the Camera Detected Offence Program and revised completion dates for Policelink, the replacement of operational equipment and various ICT related projects. This reduction has been partially offset by additional funding for the Drink Safe Precinct pilots and to meet increased WorkCover costs, along with a transfer of funds from the Department of Transport and Main Roads for the New Queensland Drivers Licence Project.
2. Grants and other contributions variance is mainly due to a reduction in anticipated revenue for 'gifts received below fair value' for forensic services performed by Queensland Health for QPS at no charge, partially offset by an increase in grant funding for Queensland Health related drug projects, along with an increase in Crim Trac fees revenue.
3. Supplies and services variance is mainly due to a reduction in funding for the Camera Detected Offence Program and revised completion dates for Policelink, the replacement of operational equipment and various ICT related projects. This reduction has been partially offset by additional funding for the Drink Safe Precinct Pilots and increased WorkCover costs, and a transfer of funds from the Department of Transport and Main Roads for the New Queensland Drivers Licence Project.
4. Other expenses variance is mainly due to a revision of anticipated expenses for 'gifts received below fair value' for forensic services performed by Queensland Health for QPS at no charge.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

5. Service revenue variance is mainly due to additional funding for enterprise bargaining and police growth.
6. User charges variance is mainly due to CPI increases.
7. Employee expenses variance is mainly due to additional funding for enterprise bargaining and police growth.
8. Supplies and services variance is mainly due to additional funding for non-labour cost escalations.
9. Other expenses variance is mainly due to a revision of anticipated 'gifts received below fair value' for forensic services performed by Queensland Health for QPS at no charge.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

10. Service revenue variance is mainly due to additional funding for enterprise bargaining, police growth, and revised completion dates for Policelink, the replacement of operational equipment and various ICT related projects.
11. User charges variance is mainly due to CPI increases.
12. Grants and other contributions variance is mainly due to additional National Disaster Relief and Recovery Arrangements (NDRRA) funding to be received in 2011-12 for the Queensland floods and Cyclone Yasi.
13. Employee expenses variance is mainly due to additional funding for enterprise bargaining and police growth.
14. Supplies and services variance is mainly due to additional funding for non-labour cost escalations and revised completion dates for Policelink, the replacement of operational equipment and various ICT related projects.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

15. Cash assets variance is mainly due to conservative cash management.
16. Receivables variation is mainly due to the timing of annual leave claimed back from the Crown for the current portion of annual leave taken under the whole-of-Government Annual Leave Central Scheme (ALCS).
17. Other current assets variation is mainly due to a reduction in prepayments for salaries and wages to better reflect the end of year position.
18. Property, plant and equipment variation is mainly due to revised completion dates for the capital works program and various ICT related projects, and a revised forecast for the new Police Academy.
19. Intangibles variation is mainly due to a revised completion date for Computer Aided Dispatch.
20. Payables variation is mainly due to an anticipated increase in the estimated amounts owing (i.e. major capital related payments).
21. Accrued employee benefits variation is mainly due to increased annual leave and other salary related payables such as long service leave.
22. Other current liabilities variation is mainly due to a technical accounting change in the treatment of grants.
23. Capital/contributed equity variation is mainly due to revised completion dates for the capital works program and various ICT related projects, and a revised forecast for the new Police Academy.
24. Asset revaluation reserve variation is a result of 2009-10 end of year comprehensive revaluation outcomes.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

25. Cash assets balance is anticipated to be at similar levels to the 30 June 2010 balance.
26. Receivables variation is mainly due to the timing of annual leave claimed back from the Crown for the current portion of annual leave taken under the whole-of-Government ALCS.
27. Other current assets variation is mainly due to a reduction in prepayments for salaries and wages to better reflect the end of year position.
28. Property, plant and equipment variation is mainly due to revised completion dates for the capital works program and various ICT related projects, and a revised forecast for the new Police Academy, offset by a decrease in the estimated effects of the revaluation of land, buildings and dwellings.
29. Intangibles variation is mainly due to a revised completion date for Computer Aided Dispatch.
30. Payables variation is mainly due to an anticipated increase in the estimated amounts owing (i.e. major capital related payments).
31. Accrued employee benefits variation is mainly due to increased annual leave and other salary related payables such as long service leave.
32. Other current liabilities variation is mainly due to a technical accounting change in the treatment of grants.
33. Capital/contributed equity variation is mainly due to revised completion dates for the capital works program and various ICT related projects, and a revised forecast for the new Police Academy.

34. Asset revaluation reserve variation is a result of 2009-10 end of year comprehensive revaluation outcomes, along with an indexation factor applied to the forward estimates.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

35. Property, plant and equipment variation is mainly due to revised completion dates for the capital works program and various ICT related projects, and a revised forecast for the new Police Academy.
36. Capital/contributed equity variation is mainly due to revised completion dates for the capital works program and various ICT related projects, and a revised forecast for the new Police Academy.
37. Asset revaluation reserve variation is a result of an indexation factor applied to the forward estimates.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

38. Service receipts variance is mainly due to a reduction in funding for the Camera Detected Offence Program and revised completion dates for Policelink, the replacement of operational equipment and various ICT related projects. This reduction has been partially offset by additional funding for the Drink Safe Precinct Pilots and to meet increased WorkCover costs, along with a transfer of funds from the Department of Transport and Main Roads for the Queensland Drivers Licence Project.
39. Grants and other contributions variance is mainly due to an increase in grant funding for Queensland Health related drug projects, along with an increase in Crimtrac fees revenue.
40. Supplies and services variance is mainly due to a reduction in funding for the Camera Detected Offence Program and revised completion dates for Policelink, the replacement of operational equipment and various ICT related projects. This reduction has been partially offset by additional funding for the Drink Safe Precinct Pilots and increased WorkCover costs, and a transfer of funds from the Department of Transport and Main Roads for the New Queensland Drivers Licence Project.
41. Payments for property, plant and equipment and intangibles variation is mainly due to revised completion dates for the capital works program and various ICT related projects, and a revised forecast for the new Police Academy.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

42. Service receipts variance is mainly due to additional funding for enterprise bargaining and police growth.
43. User charges variance is mainly due to CPI increases.
44. Grants and other contributions variance is mainly due to additional NDRRA funding to be received in 2011-12 for the Queensland floods and Cyclone Yasi.
45. Employee costs variance is mainly due to additional funding for enterprise bargaining and police growth.
46. Supplies and services variance is mainly due to additional funding for general cost escalations.
47. Payments for property, plant and equipment and intangibles variation is mainly due to additional funding for the new Police Academy and for the purchase of new and upgraded operational equipment including vehicles, traffic cameras and marine vessels.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

48. Service receipts variance is mainly due to additional funding for enterprise bargaining, police growth, and revised completion dates for Policelink, the replacement of operational equipment and various ICT related projects.
49. Grants and other contributions variance is mainly due to additional NDRRA funding to be received in 2011-12 for the Queensland floods and Cyclone Yasi.
50. Employee costs variance is mainly due to additional funding for enterprise bargaining and police growth.
51. Supplies and services variance is mainly due to additional funding for general cost escalations and revised completion dates for Policelink, the replacement of operational equipment and various ICT related projects.
52. Payments for property, plant and equipment and intangibles variation is mainly due to revised completion dates for the capital works program and various ICT related projects, and a revised forecast for the new Police Academy, along with additional funding for upgraded operational equipment including vehicles, traffic cameras and marine vessels.

Administered income statement

Major variations between 2010-11 Budget and 2011-12 Estimate include:

53. Taxes, fees and fines variance is mainly due to additional revenue generated from increases in weapons licensing fees.
54. Administered revenue variance is mainly due to additional grant funding for the Prostitution Licensing Authority (PLA) to ensure the PLA can continue to facilitate an effective and efficient brothel licensing regime and promote health and safety in the industry.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

55. Taxes, fees and fines variance is mainly due to additional revenue generated from increases in weapons licensing fees.
56. Administered revenue variance is mainly due to additional grant funding for the PLA to ensure the PLA can continue to facilitate an effective and efficient brothel licensing regime and promote health and safety in the industry.

Administered cash flow statement

Major variations between 2010-11 Budget and 2011-12 Estimate include:

57. Administered item receipts variance is mainly due to additional grant funding for the PLA to ensure the PLA can continue to facilitate an effective and efficient brothel licensing regime and promote health and safety in the industry.
58. Taxes, fees and fines variance is mainly due to additional revenue generated from increases in weapons licensing fees.
59. Transfers to Government variance is mainly due to additional revenue generated from increases in weapons licensing fees.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

60. Administered item receipts variance is mainly due to additional grant funding for the PLA to ensure the PLA can continue to facilitate an effective and efficient brothel licensing regime and promote health and safety in the industry.
61. Taxes, fees and fines variance is mainly due to additional revenue generated from increases in weapons licensing fees.
62. Transfers to Government variance is mainly due to additional revenue generated from increases in weapons licensing fees.

Statutory Body

Prostitution Licensing Authority

OVERVIEW

The Prostitution Licensing Authority (PLA) was established under the *Prostitution Act 1999* and commenced operation on 1 July 2000. Its primary functions are to decide brothel licence and approved manager's certificate applications, and to monitor the provision of prostitution through licensed brothels. The strategic priorities of the PLA are to ensure an effective and efficient brothel licensing regime, that brothels operate in accordance with community expectations and statutory requirements, to promote the health and safety of sex workers and clients, to limit the impact of prostitution on the community, and prevent the infiltration of organised crime and corruption in brothels. These priorities are addressed through the PLA's probity, compliance, and educative functions.

A key factor impacting on the PLA has been the diminishing size of the licensed brothel sector, with the number of brothels currently at 23. During 2010-11, three brothels ceased operations, whilst one new brothel opened. The closure of brothels has impacted on the PLA's ability to generate own-source revenue (in the form of brothel licence and approved manager's certificate fees). Therefore, the Government is providing an additional \$250,000 per annum grant funding from 2011-12, to ensure that the PLA can continue to adequately fulfil its statutory functions, including the maintenance of an effective and efficient licensing regime and the promotion of health and safety in the sex industry. The PLA contributes to two of the Government's ambitions from *Toward Q2: Tomorrow's Queensland*, namely Healthy - *Making Queenslanders Australia's healthiest people*; and Fair - *Supporting safe and caring communities*. This is achieved, for example, by ensuring that only suitable persons may own or manage a brothel and that appropriate health and safety standards are maintained at brothels.

REVIEW OF PERFORMANCE

Recent achievements

- Engaged with the Crime and Misconduct Commission (CMC) review of the Prostitution Act by meeting with CMC officers, providing a comprehensive submission, and other information as requested.
- Implemented amendments to the Prostitution Act, including publishing and distributing *Guidelines for social escort services advertising*.
- Published and distributed a new multilingual brochure with a range of information relevant to culturally and linguistically diverse (CALD) sex workers.
- Developed a new licence condition, requiring brothels to display multilingual signs regarding sex worker rights, and sexual servitude/slavery.

Future developments

- Respond to the CMC review of the Prostitution Act.
- Engage with the Minister and stakeholders on proposed refinements to the Prostitution Act.
- Review the *Guidelines for the operation of licensed brothels* and brothel licence conditions.
- Consider further opportunities to educate the community and stakeholders about prostitution issues.

STATEMENTS

STAFFING¹

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
		9.5	9.5	9.5

Note:

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

PERFORMANCE STATEMENT

Service standards	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Percentage of complaints resolved	1	95%	90%	95%
Percentage of licensed brothels implementing best practice standards	2	Amended Measure	100%	100%
Satisfaction of applicants with PLA client service		95%	96%	95%
Other measures				
Number of compliance activities conducted	3	210	200	200
Applications processed within PLA and forwarded to QPS within 20 business days	4	90%	90%	95%
Complaints to the PLA resolved within 20 business days	5	95%	100%	95%
State contribution (\$000)		441	441	701
Other revenue (\$000)		1,004	553	769
Total cost (\$000)		1,445	994	1,470

Notes:

1. This standard refers to the proportion of complaints received in the reporting year that are resolved within the reporting year. The reason for the variance between the 2010-11 Target/estimate and the 2011-12 Estimated actual is that there were a larger number of complaints that were more complex and required more extensive scrutiny and investigation.
2. This standard has been amended from a number to a percentage.
3. The decline in the number of compliance activities is due to the downsizing of the licensed brothel sector.
4. The 2011-12 Target/estimate for 2011-12 has been increased to reflect the PLA commitment to enhanced service delivery.
5. This measure refers to the proportion of resolved complaints that are resolved within 20 business days.

INCOME STATEMENT

Prostitution Licensing Authority	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
Income				
Service revenue		..	..	..
User charges		..	..	..
Grants and other contributions	5,9	441	441	701
Other revenue	1,6,10	1,004	553	769
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		1,445	994	1,470
Expenses				
Employee expenses	7,11	761	778	897
Supplies and services	2,12	537	398	499
Grants and subsidies		..	..	..
Depreciation and amortisation	3,8	25	10	6
Finance/borrowing costs		..	..	..
Other expenses		64	64	66
Losses on sale/revaluation of property, plant and equipment and investments		5	6	2
Total expenses		1,392	1,256	1,470
OPERATING SURPLUS/(DEFICIT)	4	53	(262)	..

STATEMENT OF CHANGES IN EQUITY

Prostitution Licensing Authority	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
Net effect of the changes in accounting policies and prior year adjustments	
Increase/(decrease) in asset revaluation reserve	
Net amount of all revenue and expense adjustments direct to equity not disclosed above	
Net income recognised directly in equity	
Surplus/(deficit) for the period		53	(262)	..
Total recognised income and expense for the period		53	(262)	..
Equity injection/(withdrawal)	
Equity adjustments (MoG transfers)	
Total movement in equity for period		53	(262)	..

BALANCE SHEET

Prostitution Licensing Authority	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
CURRENT ASSETS				
Cash assets	13,18	844	518	478
Receivables		10	12	11
Other financial assets		..	..	..
Inventories		..	..	..
Other		4	8	3
Non-financial assets held for sale		..	..	..
Total current assets		858	538	492
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		112	99	95
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		112	99	95
TOTAL ASSETS		970	637	587
CURRENT LIABILITIES				
Payables	14,19	42	88	88
Accrued employee benefits	15,20,22	113	59	29
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	16,21	46	69	69
Total current liabilities		201	216	186
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits	17,23	37	54	34
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		37	54	34
TOTAL LIABILITIES		238	270	220
NET ASSETS/(LIABILITIES)		732	367	367
EQUITY				
Capital/contributed equity		..	..	..
Accumulated surplus/(accumulated deficit)		732	367	367
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		732	367	367

CASH FLOW STATEMENT

Prostitution Licensing Authority	Notes	2010-11 Budget \$'000	2010-11 Est. act. \$'000	2011-12 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts		..	..	..
User charges		..	..	..
Grants and other contributions	28,33	441	441	701
Other	24,29,34	1,043	530	807
Outflows:				
Employee costs	30,35	(757)	(775)	(942)
Supplies and services	25,31	(537)	(449)	(499)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(104)	(108)	(103)
Net cash provided by/(used in) operating activities		86	(361)	(36)
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment	26	82	65	72
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	27,32,36	(139)	(97)	(76)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		(57)	(32)	(4)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		..	..	..
Net increase/(decrease) in cash held		29	(393)	(40)
Cash at the beginning of financial year		815	911	518
Cash transfers from restructure		..	..	..
Cash at the end of financial year		844	518	478

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. The decrease is due to the timing of lodgement of annual returns, attributable to legislative amendments and the closure of three licensed brothels.
2. The savings are mainly due to the discontinuation of the proposed community education campaign and reduction in staff training.
3. The decrease is due to the decline in the value of plant and equipment.
4. The decrease is mainly due to the timing of lodgement of annual returns, attributable to legislative amendments and the closure of three licensed brothels.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

5. The increase is due to the Government providing an additional \$250,000 grant funding per annum in recognition of reduced own source revenues due to a reduction in the size of the licensed brothel sector.
6. The decrease is due to the timing of lodgement of annual returns, attributable to legislative amendments and the closure of three licensed brothels.
7. The increase is due to employment of staff for succession training as a result of staff movements.
8. The decrease is due to the decline in the value of plant and equipment.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

9. The increase is due to the Government providing an additional \$250,000 grant funding per annum in recognition of reduced own source revenues due to a reduction in the size of the licensed brothel sector.
10. The increase is due to the timing of lodgement of annual returns, attributable to legislative amendments.
11. The increase is due to employment of staff for succession training as a result of staff movements.
12. The increase is due to the finalisation of a legal matter commenced in the previous year.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

13. The decrease is due to the timing of lodgement of annual returns, attributable to legislative amendments and the closure of three licensed brothels.
14. The increase is due to the timing of payments to creditors.
15. The decrease is due to the timing of reimbursement of employee costs.
16. The increase is due to the timing of lodgement and consideration of brothel licence renewal applications.
17. The increase is due to the growth in recreation leave.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

18. The decrease is due to the timing of lodgement of annual returns, attributable to legislative amendments and the closure of three licensed brothels.
19. The increase is due to the timing of payments to creditors.
20. The decrease is due to the timing of reimbursement of employee costs and the reduction in recreation leave.
21. The increase is due to the timing of lodgement and consideration of brothel licence renewal applications.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

22. The decrease is due to the reduction in recreation leave.
23. The decrease is due to the reduction in recreation leave.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

24. The decrease is due to the timing of lodgement of annual returns, attributable to legislative amendments and the closure of three licensed brothels.
25. The savings are mainly due to the discontinuation of the proposed community education campaign and reduction in staff training.
26. The decrease is mainly due to the general decline in the resale value of plant and equipment.
27. The decrease is due to the timing of implementation of the asset replacement program.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

28. The increase is due to the Government providing an additional \$250,000 grant funding per annum in recognition of reduced own source revenues due to a reduction in the size of the licensed brothel sector.
29. The decrease is due to the timing of lodgement of annual returns, attributable to legislative amendments and the closure of three licensed brothels.
30. The increase is due to employment of staff for succession training as a result of staff movements.
31. The increase is due to the finalisation of a legal matter commenced in the previous year.
32. The decrease is due to the timing of implementation of the asset replacement program.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

33. The increase is due to the Government providing an additional \$250,000 grant funding per annum in recognition of reduced own source revenues due to a reduction in the size of the licensed brothel sector.
34. The increase is due to the timing of lodgement of annual returns, attributable to legislative amendments.
35. The increase is due to employment of staff for succession training as a result of staff movements.
36. The decrease is due to the timing of implementation of the asset replacement program.