

PART 18

Department of Environment and Resource Management

Summary of departmental portfolio Budgets

Page	Agency	2009–10 Estimate \$'000
3-199	Department of Environment and Resource Management - controlled	914,586
	Department of Environment and Resource Management - administered	36,496
3-239	Queensland Water Commission	28,166

Departmental Overview

Ministerial Responsibility

The Minister for Natural Resources, Mines and Energy and Minister for Trade and the Minister for Climate Change and Sustainability are responsible for the functions of the Department of Environment and Resource Management. The Minister for Natural Resources, Mines and Energy and Minister for Trade is also responsible for the functions of the Queensland Water Commission.

Strategic Issues

The environmental and resource management challenges facing Queensland require a coordinated approach to ensure Queensland's long-term sustainability and economic well being. The growing population and rising standard of living, place increasing pressure on the State's natural resources, particularly on our land and water, while generating more waste and increasing the potential for adverse impacts on our natural ecosystems. At the same time we face the challenge of preparing for the impacts of climate change and taking action to build resilience in the natural landscape.

The Department of Environment and Resource Management (DERM), created on 26 March 2009, combines the work of the former Department of Natural Resources and Water and the Environmental Protection Agency to ensure a coordinated approach to conserving and managing our natural environment for the benefit of Queenslanders. To ensure Queensland's long-term sustainability the tasks include: promoting sustainable living and resource use, conserving our natural and cultural heritage, planning and managing for the sustainable use of our natural resources, and strengthening our response to climate change. The new department provides an opportunity to enhance our approach to management of the environment and natural resources, ensuring that the approaches are integrated, coordinated and the synergies maximised.

The department has a critical role to play in the achievement of the Toward Q2 Ambitions, Green - Protecting our lifestyle and environment, and Strong – Creating a diverse economy powered by bright ideas, and will bring an enhanced, integrated approach to these challenges.

Implementation of the Government's election commitments will be a significant focus for the department. This includes the development of strategies on the best way forward on re-growth clearing and strategies to address run-off into the Great Barrier Reef.

The department leads the Toward Q2 Target, Green - Cut by one third Queenslanders' carbon footprint, with reduced car and electricity use, and is a major contributor to the Toward Q2 Target, Green - Protect 50 percent more land for nature conservation and public recreation. These roles include:

- increasing the amount of land set aside for national parks and the protected area estate
- developing a waste management strategy to enhance resource recovery and production efficiencies
- promoting domestic, commercial and industrial recycling
- building on current climate change mitigation and adaptation measures
- engaging individuals, households, communities, businesses and industry through the ClimateSmart Living campaign to effect behavioural change to reduce carbon emissions
- facilitating improvements in rural leasehold land management through the Delbessie Agreement
- providing timely processes for setting aside land for public recreation.

The department is also a significant contributor to the Toward Q2 Target, Strong - Queensland is Australia's strongest economy, with infrastructure that anticipates growth. This role includes:

- ongoing development and investment in a titling system where property rights are secure, reliable and easily accessible and quality spatial information (mapping, ownership, valuations and land tenure) to enable effective planning and development of the State
- continuing work on the State's water reform agenda to ensure the sustainability, security and reliability of supply throughout Queensland
- assisting to build strong Indigenous communities through improvements to Indigenous Queenslanders' land access and ownership
- ongoing management of the State's vast leasehold land estate to ensure environmentally sustainable use.

Ongoing collaboration with all of the department's stakeholders is important to the effective delivery of services. In particular, collaboration with the Australian Government establishes joint efforts to address climate change, the sustainable management of ground water in the Great Artesian Basin, the ongoing health of the State's catchments and the health of the Great Barrier Reef.

2009–10 Highlights

Environment

- The department will coordinate the implementation of the revised Queensland Climate Change Strategy to ensure Queensland remains at the forefront of climate change response. This includes funding for several key election commitments and an additional \$43 million in new investments comprising: support for disaster management initiatives totalling \$15.6 million over five years; \$15 million for the ClimateSmart Business Service to be delivered over four years; extending the Rural Water Use Efficiency initiative with \$4.5 million over four years; and \$8 million over four years for the Energy Efficiency Retrofit program. The revised Queensland Climate Change Strategy will be finalised in the near future.
- Additional funding of \$50 million over five years is provided for the Great Barrier Reef Protection Package. Legislative and related measures will be developed as part of this package to prevent broad scale agricultural pollution of the Great Barrier Reef. This is the State's regulatory response toward mitigating the impacts of key pollutants, i.e. nutrients, sediments and pesticides, on reef quality.
- Additional funding of \$1.2 million per annum is provided for an increase in comprehensive Environmental Impact Statement assessments. This will increase the capacity to assess the environmental implications and mitigation measures of proposed major mining, gas and petroleum projects, and allow the timely commencement of approved new projects in regional communities.
- Ongoing funding of \$5 million per annum is provided for the maintenance of assets on the protected area estate.
- Funding of \$1.2 million has been identified for a feasibility study for a new Great Walk from the Daintree River to the tip of Cape York. The study will be undertaken during the next twelve months. In addition four new world-class, long-distance walking tracks representing \$6.5 million in funding are due to be completed by June 2010.

- Additional funding of \$0.9 million per annum is provided for an extra eight rangers for the Moreton Bay Marine Park. The rangers will undertake compliance activities, maintain public infrastructure and respond to wildlife strandings within the expanded Moreton Bay Marine Park. In addition, the department is delivering on one of the new commitments of the Moreton Bay Marine Park Zoning Plan by building the first of the three planned artificial reefs. The Harry Atkinson Artificial Reef, north of Peel Island, will provide recreational anglers with new fishing opportunities outside the increased green zones.
- \$1.5 million will be invested to undertake beach sand excavation to restore the wave activity at the popular Gold Coast Kirra Beach.
- Through a \$3 million sponsorship by Xstrata, a program to reintroduce the northern hairy nosed wombats to Yarran Downs will be undertaken in an attempt to establish a second colony of this endangered animal.
- A biodiversity strategy will be developed to define a coordinated, whole-of-landscape approach that enables government, industry and the community to work together to protect our biodiversity wealth.

Resource Management

- Additional funding of \$1.5 million over two years (\$0.8 million in 2009–10) is provided for surveying in Indigenous communities to support recent amendments to the *Aboriginal Land Act 1991*, the *Torres Strait Islander Land Act 1991* and the *Land Act 1994*.
- To demonstrate the Government's commitment to the National Water Initiative, additional funding of \$4.9 million over four years is provided to continue the water metering program throughout the State. The program provides reliable and credible water information on the amount of water taken. This ensures users receive their fair share of water as per their entitlement and environmental outcomes are achieved.
- The wild rivers protection will be extended to a further eight river basins on Cape York Peninsula. As well, action will be taken over the next two years to extend wild rivers protection to South-West Queensland's channel country, with the Georgina and Diamantina Rivers and Cooper Creek to be nominated as wild rivers.
- The Wild River Rangers program will be expanded with additional funding of \$5 million over four years (\$0.9 million in 2009-10) to employ an additional 10 rangers. Initial placements for negotiation with local Indigenous communities include Hinchinbrook Island and the Staaten River catchment. Other negotiations are likely to include the Northern Peninsula Area and additional rangers for established groups throughout the Gulf of Carpentaria and Cape York Peninsula.
- The Great Artesian Basin Sustainability Initiative funds programs such as bore rehabilitation and bore drain replacement. The aim is to halt the decline and, where possible, restore pressures within the Basin in line with the Great Artesian Basin Strategic Management Plan. \$46.5 million has been allocated over 5 years to 2013-14, starting with \$7.3 million in 2009-10.
- A strategic program of work will take place to improve the digital flow of cadastral survey information within and between government and the surveying industry. Interactive digital based services will enable streamlining and efficiencies within government and industry practices. The design phase of the Electronic Access for Registry Lodgement (EARL) system will be completed by July 2009. Full implementation is anticipated in 2010.

- As a result of the Premier's Taskforce to address public safety issues and efficiencies in both Government and industry in the collection and use of address information, the Address Management Framework project has been established. This project will seek to improve the completeness and availability of address information used across Government.

2008–09 Achievements

Environment

- The Queensland Climate Change fund has committed \$29.3 million to support new climate change initiatives including the Low Carbon Diet, the Big Light Switch and the ClimateSmart Home Service. This is a part of an ongoing commitment to Queensland's response to climate change.
- Delivery of the two-year ClimateSmart Home Service commenced. This service will help up to 260 000 Queensland households reduce their energy use over the next two years.
- The review of Queensland's *Climate Smart 2050* strategy was completed.
- The National Park estate was increased through the South East Queensland and Wet Tropics Forest Transfer processes, with additional land acquired through the Daintree Rescue Package and South East Queensland Conservation Initiative. A Restoration Agreement was entered into with the Australian Rainforest Conservation Society for the rehabilitation of land prior to its inclusion in the Springbrook National Park.
- \$17.5 million was invested to upgrade visitor facilities including boardwalks, seats, lookouts, barbecues, shelters and composting toilets in the protected area estate.
- The Ma:Mu Rainforest Canopy Walkway in the Wooroonooran National Park was launched. This walkway was constructed at a cost of \$10 million.
- During 2008-09 the centenary of national parks in Queensland were celebrated throughout the State. At the launch at Witches falls, Tamborine National Park, Premier Anna Bligh announced the increase of national parks estate to 7.5% of Queensland by 2020. The celebrations culminated in the Australian Protected Areas Congress in November 2008 hosted by the former Environmental Protection Agency, bringing together over 300 international and Australian experts in protected area management and research.
- A Koala Crisis Response Strategy was developed, addressing recommendations from the Premier's Taskforce on Koala Conservation.
- In January 2009 Ecofund was launched as a stand alone business unit. Ecofund has been established to provide environmental and voluntary carbon offsetting services to government clients on a cost recovery basis, in line with the Government's offset policy.
- The 10-year Moreton Bay Marine Park Zoning Plan was finalised with the plan commencing operation on 1 March 2009. The plan has increased the area of Moreton Bay Marine Park protected by marine national park (green) zones, from 0.5% to 16%.
- An enhanced Environmentally Relevant Activity regulatory regime was introduced in January 2009.
- The department has completed a three-year extensive inspection program of high impact industrial estates across Queensland. This was undertaken across 58 Industrial Estates of which 51 were administered by the Department of Infrastructure and Planning.
- In response to the major oil spill in Moreton Bay in March 2009, the department performed a significant role in the containment and recovery from the spill. The department provided specialist environmental advice and scientific support to clean-up crews and support staff, and assisted in the recovery and rehabilitation of wildlife.

Resource Management

- In February 2009 the State Government's Home and Garden Waterwise Rebate Schemes passed \$300 million in rebates to the people of Queensland. The scheme has approved more than 535 000 applications for rebates for the installation of water-efficient devices since it commenced operations in July 2006.
- Almost 600 projects were completed under the \$10 million Lifestyle Waterwise Grants program for not-for-profit organisations. Community groups received grants of up to \$30,000 to implement water saving measures.
- During 2008–09 the draft Whitsunday Water Resource Plan (WRP) was released and draft Resource Operations Plans (ROP) were released for Burdekin, Gulf, Mitchell, Logan, Gold Coast and Moreton plan areas. The final Condamine-Balonne ROP for the upper and middle parts of the catchment was released and established 1 088 tradeable water allocations in the upper and mid parts of the plan area.
- Declaration of the Archer, Lockhart and Stewart wild river areas on 3 April 2009 brought the number of declared wild rivers in Queensland to nine.
- On 1 July 2008, new recycled water legislation commenced and three regulatory guidelines for recycled water were published in November 2008. On 1 January 2009, new requirements for monitoring drinking water in Queensland commenced. An information kit was distributed to the providers and a 24-hour incident reporting hotline has been established.
- Following on from the July 2008 Council of Australian Governments meeting and the signing of the Murray-Darling Basin Intergovernmental Agreement, in November 2008 Queensland passed the *Water (Commonwealth Powers) Act 2008*. This Act delivers on Queensland's commitment under the Agreement. The Act also amended a number of Queensland's water resource plans to put into effect the Queensland Government's decision to gift 10.6 billion litres of unallocated water to the Commonwealth.
- The Land Trust Capacity Development Training Program has provided support to 10 indigenous land trusts across Queensland since July 2008.
- In July 2008 the department completed a handover of 71 920 hectares (Lilyvale) and 38 570 hectares (part of Running Creek) as Aboriginal freehold land to the Lama Lama Land Trust. On 6 August 2008 the department completed a handover of 2 067 hectares (balance of Running Creek) as Aboriginal freehold land to the Muluna Land Trust and a further handover of almost 180 000 hectares (Mt Croll/McIlwraith Range) as Aboriginal freehold land to the Kulla, Toolka and Muluna Land Trusts.
- The State Rural Leasehold Land Ministerial Advisory Committee, for the management and implementation of the Delbessie Agreement, was established. Guidelines for assessment of land condition were approved by the Minister in January 2009, providing for on ground implementation to commence.
- A process to release about 270 hectares of land for residential development at Cosgrove in the Bohle Plains area north of Townsville was established. The Cosgrove land release is one of the largest disposals for development purposes the department has coordinated under the *Land Act 1994*. The release is part of the State Government's commitment to provide sufficient land for the growing state and population.
- The department's forest management system was independently re-certified to the *Australian Forestry Standard (AFS) AS 4708-2007* for a further three years. AFS certification enables timber processors who source timber from State-owned native forests to demonstrate that their products originate from responsibly managed forests.

Departmental Outputs

The department has five outputs as follows:

Conservation and Environmental Services

This output provides a whole-of-landscape perspective for managing the present for an environmentally-sustainable future. Through this objective the department makes a major contribution to the Toward Q2 Target, Green - Protect 50 percent more land for nature conservation and public recreation. The two sub outputs are: Queensland Parks and Wildlife, and Environmental Services. Queensland Parks and Wildlife conserves and manages the parks and wildlife estate to build resilience in natural systems and provide safe, substantial and sustainable benefits to the Queensland community.

The objective of Environmental Services is to enable sustainable development and the improvement of business and industry's environmental performance.

Sustainable Futures

This output takes a strategic approach to planning, designing and communicating an environmentally-sustainable future, and leads the Toward Q2 Target, Green - Cut by one-third Queenslanders' carbon footprint with reduced car and electricity use. It has four sub outputs: Climate Change – To provide a leadership role in climate change policy responses that reduce greenhouse gas emissions and prepare Queensland for the impacts of climate change; Sustainable Communities – To inform, involve and partner with the community and industry; Sustainability Innovation – To lead future scanning and innovation; and Strategy and Policy – To create the future direction of environmental sustainability policy and strategy.

Performance and Capability

This output aims for sustainability in environmental protection activities through valuing people, their capability and knowledge. It includes Environmental Sciences, which provides robust scientific evidence and monitoring and reporting of key environmental variables to support policy development and decision making for environmental protection.

Water and Catchment Services

This output incorporates activities under the State's water reform agenda and Commonwealth-State agreements on natural resource management issues. It provides ongoing benefits to Queensland by effectively managing the State's water resources and by enhancing catchment health through partnerships with the community and stakeholders. This includes developing and implementing catchment-level water resource plans, water supply and demand strategies and regulations. Catchment-level natural resource management plans and investment strategies, implemented under bilateral agreements with the Australian Government, address issues of catchment and reef health. Activities include service delivery, policy and program development and scientific research. Through this output the department contributes to the Toward Q2 Target, Strong - Queensland is Australia's strongest economy, with infrastructure that anticipates growth.

Land and Vegetation Services

This output provides ongoing benefits to Queensland by managing the State's land and vegetation resources effectively, maintaining security of access to resources and access to resource information and implementing effective land ownership and access strategies for Indigenous Queenslanders, including the protection of cultural heritage and Native Title. Work within this area also includes managing the custodianship of State land, implementing the State's vegetation management framework and managing the commercial use of natural forest products, including native forest timbers and quarry materials. Services include providing land valuations, mapping and spatial information and titles registration. Activities

include service delivery, policy and program development and scientific research. Through this output the department contributes to the Toward Q2 Target, Green - Protect 50 percent more land for nature conservation and public recreation, and the Toward Q2 Target, Strong - Queensland is Australia's strongest economy, with infrastructure that anticipates growth.

Staffing¹

Department of Environment and Resource Management	Notes	2008–09 Budget	2008–09 Est. Actual	2009–10 Estimate
OUTPUTS				
Environmental Protection				
Conservation and Environmental Services	2,3	1,757	1,726	1,758
Sustainable Futures	2,5	380	418	440
Performance and Capability	2	190	183	183
Natural Resources and Water				
Water and Catchment Services	2,4	1,079	1,107	1,104
Land and Vegetation Services	2,4	1,970	1,982	1,951
Total		5,376	5,416	5,436

Notes:

1. Full-time equivalents (FTEs).
2. Corporate FTEs are allocated across the outputs to which they relate.
3. Increase in 2009-10 Estimate primarily relates to additional staff for environmental compliance, environmental assessment of mining, petroleum and gas industry projects and Moreton Bay Park management.
4. The completion of the Home WaterWise Rebate Scheme and limited life funding for Land and Vegetation programs will result in cessation of a number of temporary staff and a number of temporary staff returning to other agencies.
5. Increase in 2008-09 Estimated Actuals mainly relates to additional staff to undertake specific projects related to grant funding and also in the Office of Climate Change to administer and support the Queensland Climate Change Fund. Increase in 2009-10 relates to additional staff to undertake extension and support services for the new Great Barrier Reef Protection Package.

2009–10 Output Summary¹

Output	Total cost \$'000	Sources of revenue			
		State Contribution \$'000	User charges \$'000	C'wealth revenue \$'000	Other revenue \$'000
Environmental Protection					
Conservation and Environmental Services	265,525	230,065	2,196	15,865	17,399
Sustainable Futures	116,028	95,935	593	6,621	12,879
Performance and Capability	27,895	26,531	179	150	1,035
Natural Resources and Water					
Water and Catchment Services	246,807	203,731	3,357	34,896	4,823
Land and Vegetation Services	258,331	184,615	50,368	..	24,348
Total	914,586	740,877²	56,693	57,532²	60,484

Notes:

1. Explanations of variances are provided in the financial statements.
2. The amount shown as State contribution in the Output Summary and the Performance Statements may not agree with the amount shown as Output Receipts in the Income Statement. For disclosure purposes, the State contribution in the Output Summary excludes certain receipts from the Commonwealth.
Due to a decision by The Council of Australian Governments in November 2009, certain Commonwealth receipts are received directly by Queensland Treasury and then distributed to departments through Output Revenue or Equity Injection. Any such receipts are included as Commonwealth revenue in the Output Summary.

Administered Items

The department's administered responsibilities include the following.

Environment Protection Related Regulatory Fees

The department collects a range of regulatory fees associated with environmental monitoring, authorities and development applications, permits for commercial activity in or near parks, the keeping of wildlife, and licensing of the recreational and commercial harvesting of wildlife. These fees are generally levied on business and local government in relation to environmental licensing and on members of the community and small business in relation to permits for commercial activities and wildlife and the licensing of wildlife harvesting.

Land Title Act Fees

Revenue is collected under the *Land Title Act 1994* for the lodgement of documents to secure ownership and other interests in land and other resources and record related information. Customers include individuals and organisations, both in Queensland and elsewhere, with interests in the State's resources. The client groups include landowners, government agencies, industry groups, financial institutions, solicitors and other service providers.

Lease of State Land

Annual rentals and instalments are collected on land leased from the State and on various permits issued over State land under the *Land Act 1994*.

Water Infrastructure Maintenance

The State is responsible for maintaining a number of non-commercial dams and weirs that do not form part of any irrigation scheme. Adequate maintenance must be undertaken to protect the public from unsafe structures and prevent property loss as a result of structural failure.

Unsafe structures may be decommissioned or, where appropriate, repaired before responsibility for the ongoing maintenance of the structures is transferred to organisations such as local authorities.

Drought Assistance – Rebates on Part A Water Charges

In areas where there is, or has been, low water availability, rural irrigation water users receive a rebate on payment of their fixed water supply charges.

Financial statements and explanations in relation to Administered activities appear in the financial statements section.

Departmental Statements

Performance Statement

Department of Environment and Resource Management	Notes	2008–09 Target/Est.	2008–09 Est. Actual	2009–10 Target/Est.
Environmental Protection				
Output: Conservation and Environmental Services				
Number of camping areas open in national parks and State forests		447	447	447
Percentage of state-wide ranger establishment nominate as Indigenous		5%	5%	5%
Percentage of Cape York ranger establishment nominated as Indigenous	1	20%	30%	20%
Number of recycling systems implemented at major public sites	2	15	19	30
Number of planned compliance inspections of sites carrying out regulated activities:				
• Level A (Basic inspections)	3	390	1100	150
• Level B (Condition audit)		800	420	450
• Level C (Performance audit)		10	21	80
Number of planned industrial estate inspections to provide characterisation of actual and potential environmental impact of estate and to access compliance of individual sites with environmental standards	4	23	24	Discontinued
Percentage of enhanced Land and Pest Management Plans completed in accordance with best practice management of fire, weeds and pests on DERM managed lands	5	90%	90%	90%
Percentage of quality management assessments of national parks completed (Rapid Assessment program) every two years	6	N/A	N/A	100%
Percentage of DERM actions in the Queensland Tourism Strategy completed on schedule and in accordance with the strategy	7	100%	100%	100%
Percentage of capital works completed in accordance with project plan		90%	90%	90%
Percentage of environmental authorities, development approvals and other approvals administered by the department that meet statutory timeframes	8	100%	100%	100%

Department of Environment and Resource Management	Notes	2008–09 Target/Est.	2008–09 Est. Actual	2009–10 Target/Est.
Percentage of valid environmental complaints responded to within stated timeframes (5 business days)		90%	90%	90%
Deliver intensive air monitoring programs in: <ul style="list-style-type: none"> Townsville Gladstone 	9	Completed	Completed	Deliver Townsville final report, Gladstone health assessment report
Maintenance investment per camper night for visitor infrastructure in parks and forests	10	\$15.80	\$13.80	\$14.00
State contribution (\$000)	11	222,184	218,518	230,065
Other revenue (\$000)		34,754	36,411	35,460
Total cost (\$000)		256,938	254,929	265,525
Environmental Protection				
Output: Sustainable Futures				
Number of Premier's Council on Climate Change Meetings convened each year	12	4	2	3
Number of Council-sponsored projects resulting from Premier's Council on Climate Change Meetings completed each year		3	3	3
Percentage of Climate Change Impact Statements included in all relevant Cabinet, CBRC and Budget submissions from July 2008		100%	100%	100%
Number of ecoBiz participants who have completed the six steps of eco-efficiency and achieved partner status		40	40	55
Tonnes reduction of greenhouse impact resulting from ecoBiz program	13	35,000	25,690	40,000
Number of hectares of Queensland gazetted as Nature Refuge	14	750,000	750,980	1,200,000
Stakeholder satisfaction with quality and timeliness of policy advice is monitored bi-annually	15	2	2	2
Achieve a 3:1 private to public investment ratio for projects supported by the Queensland Sustainable Energy Innovation Fund	16	3:1	3:1	4:1
Percentage of Queensland Heritage Register recommendations referred to the Queensland Heritage Council within statutory timeframes		100%	100%	100%
Percentage of heritage development applications determined by the department within statutory timeframes		100%	100%	100%

Department of Environment and Resource Management	Notes	2008–09 Target/Est.	2008–09 Est. Actual	2009–10 Target/Est.
Percentage of concurrence agency obligations under the Koala Conservation Plan met within IPA timeframes	17	100%	100%	Discontinued
Allocate 1000 grid-connected solar power systems to Queensland households in:	18	1000	1000	Discontinued
<ul style="list-style-type: none"> • South-east Queensland • Toowoomba • Fraser Coast • Rockhampton • Cairns 				
by 1 December 2008, saving an estimated 1700 tonnes of greenhouse gas emissions per year				
State contribution (\$000)	19	110,838	109,555	95,935
Other revenue (\$000)	20	19,388	29,382	20,093
Total cost (\$000)		130,226	138,937	116,028
Environmental Protection				
Output: Performance and Capability				
Number of customised ecosystems and moratorium maps downloaded from the website each year	21	60,000	80,000	70,000
Number of hectares of vegetation communities and ecosystems mapped each year		7,000,000	7,000,000	7,000,000
Percentage of South East Queensland estuarine waterways represented in water management programs	22	90%	90%	90%
Number of publications (books, reports and plans) available for download from the department website each year:	23			
<ul style="list-style-type: none"> • Air • Biodiversity • Coasts • Greenhouse • Marine • Water 		45 65 40 5 40 80	69 65 40 5 40 200	70 65 43 5 40 200
Number of science data sets supplied to external stakeholders each year		20,000	20,000	20,000
Percentage CO2-e offset to achieve a carbon Neutral EPA	24	100%	100%	Discontinued
Number of refereed scientific papers published each year		50	55	55
Percentage of Queenslanders who perceive EPA as a trustworthy source of information	25	>80%	N/A	Discontinued

Department of Environment and Resource Management	Notes	2008–09 Target/Est.	2008–09 Est. Actual	2009–10 Target/Est.
Percentage of externally-funded research projects delivered within agreed timeframes		95%	95%	95%
Number of air quality monitoring stations operating throughout Queensland:	26			
• South East Queensland		14	15	15
• Central Queensland		8	8	8
• Northern Queensland		7	9	7
Average operating costs of an air quality monitoring station each year (includes labour)		\$34,000	\$34,000	\$34,000
Cost of vegetation survey and mapping (1:100,000 scale) per hectare		\$0.80	\$0.80	\$0.80
State contribution (\$000)	27	21,211	24,868	26,531
Other revenue (\$000)	28	2,703	7,144	1,364
Total cost (\$000)		23,914	32,012	27,895

Natural Resources and Water Output: Water and Catchment Services

Cumulative number of tradeable water allocations established under water resource plans (WRPs) and resource operations plans (ROPs)	29	11,300	9,187	11,182
Number of meter project areas completed	30	5	8	5
Applications/dealings processed - Water licences	31	12,000	11,915	10,000
Proportion of actions under the Great Barrier Reef Water Quality Protection Plan led by the department assessed as progressing satisfactorily or better		100%	100%	100%
Percentage of eligible regional natural resource management group investment strategies reviewed annually		100%	100%	100%
Investigations of very high priority notifications of alleged non-compliance with water legislation		100%	100%	100%
Applications approved for payment for the Home WaterWise and Garden WaterWise rebate schemes Progress with WRPs and amended WRPs	32	100,000	129,745	Discontinued
- Annual number progressed	33	6	2	3
- Cumulative number completed	33	33	26	33
Progress with ROPs and amended ROPs				
- Annual number progressed	34	12	7	3
- Cumulative number completed	34	30	22	30

Department of Environment and Resource Management	Notes	2008–09 Target/Est.	2008–09 Est. Actual	2009–10 Target/Est.
Number of WRP reviews progressed	35	4	2	3
Safety conditions for referable dams issued within customer service standards	36	100%	90%	100%
Progress with wild river declarations				
- Number progressed within timeframes	37	6	4	9
- Number completed within timeframes		3	3	6
New water license application/dealings completed in 90 business days	38	75%	64%	70%
Water licences transfers and renewals dealt with in 30 business days	38,39	65%	85%	80%
State contribution (\$000)		260,658	250,565	203,731
Other revenue (\$000)		59,321	70,006	43,076
Total cost (\$000)		319,979	320,571	246,807
Natural Resources and Water				
Output: Land and Vegetation Services				
State land applications completed	40	9,500	8,731	9,000
Investigations of very high priority notifications of alleged non-compliance with land and vegetation management legislation completed		100%	100%	100%
Forest product sales (cubic metres)				
– Native forest timber	41	260,000	235,000	240,000
– Quarry materials (million)	42	3.6	3.6	3.5
Operating surplus of forest product sales	43	3.45 million	1.2million	1.0 million
Proportion of resource registry records corrected remains below	44	0.5%	0.3%	0.5%
Records processed within customer service standards				
– Land Registry	45	90%	94%	90%
– Digital Cadastral Database		90%	90%	90%
Valuation objections completed within customer services standards (60 working days of the closure of the objection period)	46	90%	n/a	90%
IPA concurrence applications assessed within legislative timeframes		100%	100%	100%
Vegetation permits processed within IPA timelines		100%	100%	100%
State contribution (\$000)		166,323	185,576	184,615
Other revenue (\$000)		77,799	73,040	74,716
Total cost (\$000)		240,672	257,416	258,331

Notes:

1. In 2008-09, the percentage is higher than expected due to fluctuations from quarter to quarter given the number of temporary employees in the region.
2. A further 11 permanent systems are planned for 2009-10 including shopping centres in Cairns, Mackay and SEQ.
3. The higher number Level 'A' inspections during 2008-09 reflects the focus on inspecting numerous small operations on industrial estates which will complete the 3 year State-wide industrial estate inspection program. Level B were less than forecast as the focus was to provide Level A inspections. The 2009-10 inspection targets will have a greater focus on higher level performance audits and less on basic inspections.
4. Formal inspection program concludes in 2008-09. Sites which have been identified to be high risk will continue to be monitored as part of annual compliance program.
5. This measure reflects former EPA activities and responsibilities.
6. Assessments conducted biennially (every two years). Next assessment is 2009-10.
7. This measure reflects former EPA activities and responsibilities.
8. Reported performance may be impacted by the reporting capacity of the information database.
9. 12 months data collection for Townsville has been completed in accordance with planned performance. Data gathering period has been extended by 3 months due to potential impact on sample as a result of extensive periods of rain in 2009. The assessment report will be completed in 2009-10. Air monitoring for Gladstone has been completed in accordance with the project plan. Air monitoring will continue into 2009-10 with interim health assessment to be delivered in 2009-10.
10. Camper numbers increased in 2008-09 resulting in index of investment per camper being lower than anticipated.
11. Relates mainly to Enhanced Compliance for Environmentally Relevant Activities (ERAs), environmental assessment of new mining, petroleum and gas industry projects, Moreton Bay Marine Park management, enterprise bargaining and Brisbane CBD accommodation.
12. Only second and fourth quarter meetings were held. First quarter meeting did not take place as the previous quarter meeting was held in June 2008. The third quarter meeting scheduled for April 2009 was postponed due to the Election announcement.
13. Non-achievement of the target reflects a resource shift from rebate delivery to industry engagement, as demonstrated by the ClimateSmart Business program. The 2008-09 figures are based on estimated potential CO2 emissions savings identified by participants who have received ecoBiz rebate funding. In 2009-10 this measure will be reporting on actual CO2 savings realised by all ecoBiz Partners (i.e. not limited to rebate recipients).
14. Increase in Nature Refuges anticipated due to the delivery of Round 3 of NatureAssist.
15. Assessments are conducted bi-annually (twice a year).
16. Estimated Target for 2009-10 increased as private investment measurement adjusted to include other non-State Government grant funding and sales revenue.
17. Discontinued. Concurrence agency roles may change subject to development of State Planning Policy.
18. Discontinued. This measure was achieved by 1 December 2008.
19. Decrease primarily related to one-off funding of \$17 million in 2008-09 for the Moreton Bay Structural Adjustment Package which has been partially off-set by additional funding in 2009-10 for Great Barrier Reef Protection Package of \$9 million. Also additional funding for enterprise bargaining and Brisbane CBD accommodation.
20. Increase in 2008-09 largely relates to the Environmental Partnership Scheme as well as funding from mining company Xstrata for sponsorship to support the reintroduction of the endangered Northern Hairy Nosed Wombat to a site near St George in south-west Queensland. Decrease in 2009-10 mainly resulting from reduction in Commonwealth funding due to completion of projects most notably the Renewable Remote Power Generation Program.
21. Increase in Estimated Actual 2008-09 due to increase in the number of requests for customised ecosystem and moratorium maps resulting from election commitment that a moratorium would be imposed on the clearing of Remnant Endangered Regional Ecosystems. The increase in the Estimated Target 2009-10 is consistent with normal growth in demand.
22. Measure description updated to remove reference to EPA.
23. An upgrade of the departmental web site search criteria has resulted in a more complete analysis of the publications.
24. This measure was applicable to EPA only and is to be discontinued. MoG changes require reassessment of this measure.
25. Major survey results were expected in the 4th quarter; however final commencement deadlines have been delayed due to MoG. Measure is not valid for DERM and discontinued pending reassessment of measure and collection instrument.
26. Increase in Estimated Actual 2008-09 for SEQ to meet priority environmental monitoring needs. The change in Estimated Target 2009-10 is due to the completion in 2008-09 of the short-term dust studies for Northern Queensland.
27. Increase in 2009-10 mainly relates to enterprise bargaining and Brisbane CBD accommodation.
28. Increase in 2008-09 mainly due to additional grant funding received.
29. Variance in 2008-09 Estimated Target to 2008-09 Estimated Actuals is due to the decision to defer the Lower Balonne in the final Condamine-Balonne ROP.
30. Variance in 2008-09 Estimated Target to 2008-09 Estimated Actuals is due to earlier than anticipated completion of three additional areas within the Bowen project area.
31. Estimated Target 2009-10 has been reduced to reflect an expected downturn in development applications as a result of the global economic downturn.
32. Variance in 2008-09 Estimated Target to 2008-09 Estimated Actuals is due to high public response to the announcement on 9 December 2008 of the closure of the Scheme. The Home Waterwise and Garden Waterwise rebate scheme ceased for installations after 31 December 2008. Outstanding applications will be completed by the 30 June 2009.
33. Variance in 2008-09 Estimated Target to 2008-09 Estimated Actuals is attributed to the Fitzroy Callide Groundwater and Isaac-Connors Groundwater Amendments being rolled up into the Fitzroy WRP Review instead of being developed separately. The Barron WRP Amendment, Whitsunday WRP and Baffle WRP, due for finalisation in the later part of 2008-09, were delayed due to the election. The draft Logan Amendment to include Southern Moreton Bay Islands has been deferred until 2009-10 due to a need to develop more sophisticated modelling tools to better predict the hydrological and ecological implications of groundwater taken from the regional groundwater system of North Stradbroke Island. Fewer WRPs will be progressed during 2009-10 as the focus will be on finalising those that currently have a draft plan released.

34. Variance in 2008-09 Estimated Target to 2008-09 Estimated Actuals is due to the need to progress the Barron WRP prior to the Barron ROP Amendment, a focus on attaining consistency across South East Queensland ROPs and delays in the release of the Burdekin, Gulf and Mitchell ROPs due to delays in receiving public submissions on draft plans. Fewer ROPs will be progressed during 2009-10 as the focus will be on finalising those that currently have a draft plan released.
35. The 2008-09 Estimated Target has not been achieved as the Boyne and Burnett formal WRP Reviews were deferred pending the outcome of the statutory planning process review.
36. Variance in 2008-09 Estimated Target to 2008-09 Estimated Actuals is due to the unscheduled addition of a number of referable dams identified through the farm dam assessment program.
37. The 2008-09 Estimated Target has not been achieved due to ongoing negotiations with traditional land holders. This delayed the release of the Jacky-Jacky and Olive-Pascoe proposed wild river declarations.
38. In 2008-09 there has been an emphasis on renewals, and this has impacted on the Estimated Actual for 2008-09. This emphasis will continue in 2009-10.
39. The 2009-10 Estimated Target reflects business improvements strategies.
40. Variance in 2008-09 Estimated Target to 2008-09 Estimated Actuals is due to a reduction in incoming applications.
41. Variance in 2008-09 Estimated Target to 2008-09 Estimated Actuals is primarily due to reduced building activity and reduced timber usage as a result of the global economic downturn.
42. Quarry sales remain firm due to continued infrastructure development.
43. Variance in 2008-09 Estimated Target to 2008-09 Estimated Actuals reflects down turn in native forest timber sales which is expected to continue into 2009-10.
44. Variance in 2008-09 Estimated Target to 2008-09 Estimated Actuals is due to improved quality assurance processes.
45. Variance in 2008-09 Estimated Target to 2008-09 Estimated Actuals is due to improved business processes combined with a lower level of property market activity.
46. On 12 February 2009 the Premier announced that revaluations would not be carried out on 17 local government areas previously nominated. Land valuations were not issued in 2008-09 due to the global economic downturn and the extreme weather conditions affecting the State.

Income Statement

Environment and Resource Management	2009-10 Estimate \$'000
Income	
Output revenue	748,763
User charges	56,693
Grants and other contributions	75,275
Other revenue	34,755
Gains on sale/revaluation of property, plant and equipment and investments	100
Total income	915,586
Expenses	
Employee expenses	455,306
Supplies and services	261,543
Grants and subsidies	111,503
Depreciation and amortisation	75,836
Finance/borrowing costs	199
Other expenses	10,115
Losses on sale/revaluation of property, plant and equipment and investments	84
Total expenses	914,586
OPERATING SURPLUS/(DEFICIT)	1,000

Statement of Changes in Equity

Environment and Resource Management	2009-10 Estimate \$'000
Net effect of the changes in accounting policies and prior year adjustments	..
Increase/(decrease) in asset revaluation reserve	88,471
Net amount of all revenue and expense adjustments direct to equity not disclosed above	..
Net income recognised directly in equity	88,471
Surplus/(deficit) for the period	1,000
Total recognised income and expense for the period	89,471
Equity injection/(withdrawal)	(24,627)
Equity adjustments (MoG transfers)	..
Total movement in equity for period	64,844

Balance Sheet

Environment and Resource Management	2009-10 Estimate \$'000
CURRENT ASSETS	
Cash assets	32,734
Receivables	42,509
Other financial assets	..
Inventories	1,911
Other	29,814
Non-financial assets held for sale	..
Total current assets	106,968
NON-CURRENT ASSETS	
Receivables	..
Other financial assets	..
Property, plant and equipment	3,644,018
Intangibles	24,549
Other	..
Total non-current assets	3,668,567
TOTAL ASSETS	3,775,535
CURRENT LIABILITIES	
Payables	52,954
Employee benefit obligations	..
Interest-bearing liabilities and derivatives	577
Provisions	..
Other	60,395
Total current liabilities	113,926
NON-CURRENT LIABILITIES	
Payables	..
Employee benefits obligations	..
Interest-bearing liabilities and derivatives	1,318
Provisions	..
Other	..
Total non-current liabilities	1,318
TOTAL LIABILITIES	115,244
NET ASSETS/(LIABILITIES)	3,660,291
EQUITY	
Capital/contributed equity	3,561,760
Retained surplus/(accumulated deficit)	1,000
Reserves:	
- Asset revaluation reserve	97,531
- Other (specify)	..
TOTAL EQUITY	3,660,291

Cash Flow Statement

Environment and Resource Management	2009-10 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES	
Inflows:	
Output receipts	748,763
User charges	61,947
Grants and other contributions	72,568
Other	59,065
Outflows:	
Employee costs	(455,306)
Supplies and services	(284,204)
Grants and subsidies	(111,503)
Borrowing costs	(199)
Other	(15,668)
Net cash provided by/(used in) operating activities	75,463
CASH FLOWS FROM INVESTING ACTIVITIES	
Inflows:	
Sales of property, plant and equipment	446
Investments redeemed	..
Loans and advances redeemed	251
Outflows:	
Payments for property, plant and equipment and intangibles	(51,598)
Payments for investments	..
Loans and advances made	..
Net cash provided by/(used in) investing activities	(50,901)
CASH FLOWS FROM FINANCING ACTIVITIES	
Inflows:	
Borrowings	..
Equity injections	82,016
Outflows:	
Borrowing redemptions	(529)
Finance lease payments	..
Equity withdrawals	(106,643)
Net cash provided by/(used in) financing activities	(25,156)
Net increase/(decrease) in cash held	(594)
Cash at the beginning of financial year	33,328
Cash transfers from restructure	..
Cash at the end of financial year	32,734

Administered Income Statement

Environment and Resource Management	2009-10 Estimate \$'000
Revenues	
Commonwealth grants	..
Taxes, fees and fines	245,533
Royalties, property income and other territorial	
Revenue	65,462
Interest	2,164
Administered revenue	31,091
Other	69,088
Total revenues	413,338
Expenses	
Supplies and services	1,305
Depreciation and amortisation	185
Grants and subsidies	29,054
Benefit payments	..
Borrowing costs	..
Other	5,952
Total expenses	36,496
Net surplus or deficit before transfers to Government	376,842
Transfers of administered revenue to Government	321,939
OPERATING SURPLUS/(DEFICIT)	54,903

Administered Balance Sheet

Environment and Resource Management	2009-10 Estimate \$'000
CURRENT ASSETS	
Cash assets	23,181
Receivables	25,623
Inventories	
Other	29,959
Non-financial assets held for sale	26,383
Total current assets	105,146
NON-CURRENT ASSETS	
Receivables	45,288
Other financial assets	..
Property, plant and equipment	24,052,471
Intangibles	..
Other	..
Total non-current assets	24,097,759
TOTAL ADMINISTERED ASSETS	24,202,905
CURRENT LIABILITIES	
Payables	9,999
Transfers to Government payable	18,887
Interest-bearing liabilities	158
Other	33,449
Total current liabilities	62,493
NON-CURRENT LIABILITIES	
Payables	..
Interest-bearing liabilities	..
Other	3,302
Total non-current liabilities	3,302
TOTAL ADMINISTERED LIABILITIES	65,795
ADMINISTERED NET ASSETS/(LIABILITIES)	24,137,110
EQUITY	
Capital/Contributed equity	23,183,576
Retained surplus/(Accumulated deficit)	66,619
Reserves:	
- Asset revaluation reserve	886,915
- Other (specify)	..
TOTAL ADMINISTERED EQUITY	24,137,110

Administered Cash Flow Statement

Environment and Resource Management	2009-10 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES	
Inflows:	
Administered item receipts	31,091
Grants and other contributions	4,903
Taxes, fees and fines	245,533
Royalties, property income and other territorial revenues	65,462
Other	6,485
Outflows:	
Transfers to Government	(321,939)
Grants and subsidies	(29,054)
Supplies and services	(1,653)
Borrowing costs	..
Other	(9,925)
Net cash provided by/(used in) operating activities	(9,097)
CASH FLOWS FROM INVESTING ACTIVITIES	
Inflows:	
Sales of property, plant and equipment	31,068
Investments redeemed	..
Loans and advances redeemed	12,000
Outflows:	
Payments for property, plant and equipment and intangibles	(49,003)
Payments for investments	..
Loans and advances made	(7,500)
Net cash provided by/(used in) investing activities	(13,435)
CASH FLOWS FROM FINANCING ACTIVITIES	
Inflows:	
Borrowings	..
Equity injections	44,100
Outflows:	
Borrowing redemptions	..
Finance lease payments	(21,568)
Equity withdrawals	(21,568)
Net cash provided by/(used in) financing activities	22,532
Net increase/(decrease) in cash held	..
Administered cash at beginning of financial year	23,181
Cash transfers from restructure	..
Administered cash at end of financial year	23,181

Income Statement

Environmental Protection	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
Income				
Output revenue	1,8,15	354,233	352,941	352,531
User charges	2,9	3,801	2,847	2,968
Grants and other contributions	3,16	39,450	55,664	38,917
Other revenue	4,10	13,594	14,426	15,032
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		411,078	425,878	409,448
Expenses				
Employee expenses	5,11,17	178,644	180,438	197,745
Supplies and services	6,12,18	139,018	143,564	132,510
Grants and subsidies	7,13,19	33,979	42,439	17,427
Depreciation and amortisation	14,20	55,295	55,295	57,668
Finance/borrowing costs		243	243	199
Other expenses		3,884	3,884	3,884
Losses on sale/revaluation of property, plant and equipment and investments		15	15	15
Total expenses		411,078	425,878	409,448
OPERATING SURPLUS/(DEFICIT)		..	..	..

Statement of Changes in Equity

Environmental Protection	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve	21,23	76,823	(2,453,428)	84,931
Net amount of all revenue and expense adjustments direct to equity not disclosed above	22,24	..	(647,132)	..
Net income recognised directly in equity		76,823	(3,100,560)	84,931
Surplus/(deficit) for the period		..	..	..
Total recognised income and expense for the period		76,823	(3,100,560)	84,931
Equity injection/(withdrawal)		(9,643)	(2,776)	(24,327)
Equity adjustments (MoG transfers)		..	3,095,833	..
Total movement in equity for period		67,180	(7,503)	60,604

Balance Sheet

Environmental Protection	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
CURRENT ASSETS				
Cash assets	25,32	29,098	10,481	10,271
Receivables	26,33	11,137	7,890	7,890
Other financial assets		..	..	..
Inventories		265	266	266
Other	27,34	1,479	14,567	14,567
Non-financial assets held for sale		..	..	..
Total current assets		41,979	33,204	32,994
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	28,35,40	3,210,788	3,401,589	3,460,936
Intangibles	29,36,41	3,275	6,195	7,133
Other		..	..	..
Total non-current assets		3,214,063	3,407,784	3,468,069
TOTAL ASSETS		3,256,042	3,440,988	3,501,063
CURRENT LIABILITIES				
Payables	30,37	10,825	13,031	13,031
Employee benefit obligations	31,38	14,771	4,086	4,086
Interest-bearing liabilities and derivatives	39,42	529	529	577
Provisions		..	..	..
Other		16,366	15,936	15,936
Total current liabilities		42,491	33,582	33,630
NON-CURRENT LIABILITIES				
Payables		..	..	..
Employee benefits obligations	31,38	2,270	..	..
Interest-bearing liabilities and derivatives	39,42	1,896	1,895	1,318
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		4,166	1,895	1,318
TOTAL LIABILITIES		46,657	35,477	34,948
NET ASSETS/(LIABILITIES)		3,209,385	3,405,511	3,466,115
EQUITY				
Capital/contributed equity		255,850	3,405,511	3,381,184
Retained surplus/(accumulated deficit)		641,945	..	..
Reserves:				
- Asset revaluation reserve		2,311,590	..	84,931
- Other (specify)		..	..	..
TOTAL EQUITY		3,209,385	3,405,511	3,466,115

Cash Flow Statement

Environmental Protection	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Output receipts	50,58	354,233	354,536	352,531
User charges	43,51	5,156	4,202	4,323
Grants and other contributions	44,52,59	38,243	54,457	37,710
Other		21,804	22,636	23,242
Outflows:				
Employee costs	53,60	(178,644)	(180,438)	(197,745)
Supplies and services	45,54,61	(147,228)	(151,774)	(140,720)
Grants and subsidies	46,55,62	(33,979)	(42,439)	(17,427)
Borrowing costs		(243)	(243)	(199)
Other	47,63	(4,047)	(17,006)	(4,047)
Net cash provided by/(used in) operating activities		55,295	43,931	57,668
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	48,56,64	(44,734)	(61,202)	(33,022)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		(44,734)	(61,202)	(33,022)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	49,57,65	30,965	37,832	18,370
Outflows:				
Borrowing redemptions		(484)	(484)	(529)
Finance lease payments		..	..	..
Equity withdrawals		(40,608)	(40,608)	(42,697)
Net cash provided by/(used in) financing activities		(10,127)	(3,260)	(24,856)
Net increase/(decrease) in cash held		434	(20,531)	(210)
Cash at the beginning of financial year		28,664	31,012	10,481
Cash transfers from restructure		..	..	..
Cash at the end of financial year		29,098	10,481	10,271

Administered Income Statement

Environmental Protection	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
Revenues				
Commonwealth grants		..	..	..
Taxes, fees and fines	66,67,68	28,789	31,046	45,316
Royalties, property income and other territorial Revenue		..	..	..
Interest		..	..	..
Administered revenue		..	..	..
Other		..	..	..
Total revenues		28,789	31,046	45,316
Expenses				
Supplies and services		..	..	..
Depreciation and amortisation				
Grants and subsidies		..	..	..
Benefit payments				
Borrowing costs		..	..	..
Other		..	..	..
Total expenses		..	..	..
Net surplus or deficit before transfers to Government		28,789	31,046	45,316
Transfers of administered revenue to Government		28,789	31,046	45,316
OPERATING SURPLUS/(DEFICIT)		..	..	..

Administered Balance Sheet

Environmental Protection	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
CURRENT ASSETS				
Cash assets	69,73	6,658	9,051	9,051
Receivables	70,	1,400	1,225	1,225
Inventories		..	..	..
Other		..	..	..
Non-financial assets held for sale		..	..	..
Total current assets		8,058	10,276	10,276
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		..	..	..
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		..	..	..
TOTAL ADMINISTERED ASSETS		8,058	10,276	10,276
CURRENT LIABILITIES				
Payables		31	25	25
Transfers to Government payable	71,75	707	2,927	2,927
Interest-bearing liabilities	72,76	..	158	158
Other	72,76	190	..	..
Total current liabilities		928	3,110	3,110
NON-CURRENT LIABILITIES				
Payables		..	..	..
Interest-bearing liabilities	72,76	..	3,302	3,302
Other	72,76	4,070	..	..
Total non-current liabilities		4,070	3,302	3,302
TOTAL ADMINISTERED LIABILITIES		4,998	6,412	6,412
ADMINISTERED NET ASSETS/(LIABILITIES)		3,060	3,864	3,864
EQUITY				
Capital/Contributed equity		..	3,864	3,864
Retained surplus/(Accumulated deficit)		3,060	..	..
Reserves:				
- Asset revaluation reserve		..	..	..
- Other (specify)		..	..	..
TOTAL ADMINISTERED EQUITY		3,060	3,864	3,864

Administered Cash Flow Statement

Environmental Protection	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Administered item receipts		..	..	..
Grants and other contributions		..	..	..
Taxes, fees and fines	77,78,79	28,789	31,046	45,316
Royalties, property income and other territorial revenues		..	..	..
Other		..	..	..
Outflows:				
Transfers to Government	77,78,79	(28,789)	(31,046)	(45,316)
Grants and subsidies		..	..	..
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		6,658	9,051	9,051
Cash transfers from restructure		..	..	..
Administered cash at end of financial year		6,658	9,051	9,051

Explanation of Variances in the Financial Statements

Environmental Protection

Income Statement

Major variations between 2008-09 Budget and 2008-09 Estimated Actual include:

1. Decrease is primarily related to deferral of funding to 2009-10 for projects which have been delayed in 2008-09.
2. Decrease mainly due to re-categorisation of revenue to Other Revenue in line with new whole-of-Government chart of accounts.
3. Increase largely relates to the Environmental Partnership Scheme as well as funding from mining company Xstrata for sponsorship to support the reintroduction of the endangered Northern Hairy Nosed Wombat to a site near St George in south-west Queensland.
4. Increase mainly due to re-categorisation of revenue from User Charges in line with new whole-of-Government chart of accounts.
5. Increase in employee expenses relates to increased grant revenue funding additional staff during the year to undertake specific projects and additional staff funded through the Queensland Climate Change Fund to administer and manage the fund as well as to provide support to the Premier's Council on Climate Change meetings.
6. Increase mainly relates to expenditure in relation to the Environmental Offsets Exchange, additional grant funding and supplementation under the Natural Disaster Relief and Recovery Arrangements.
7. Increase mainly relates to the Environmental Partnership Scheme and the Renewable Remote Power Generation Program.

Major variations between 2008-09 Budget and 2009-10 Estimate include:

8. Decrease is primarily related to deferral of funding to 2009-10 for projects which have been delayed in 2008-09.
9. Decrease mainly due to re-categorisation of revenue to Other Revenue in line with whole-of-Government chart of accounts.
10. Increase mainly due to re-categorisation of revenue from User Charges in line with new whole-of-Government chart of accounts and anticipated CPI adjustments.
11. Mainly relates to enterprise bargaining salary and wage increase supplementation. Also includes additional staff associated with Enhanced Compliance for Environmentally Relevant Activities (ERAs), environmental assessment of new mining, petroleum and gas industry projects, Moreton Bay Marine Park management and Great Barrier Reef Protection Package.
12. Decrease primarily relates to the Moreton Bay Structural Adjustment Package, transfers from Queensland Climate Change Fund to other Departments and the Efficiency Savings.
13. Additional expenditure relates to deferrals from previous year for Heritage Grants, SEQ Water and National Packaging Covenant. The Renewable Remote Power Generation Program will finish during 2009-10 which was earlier than originally anticipated. Funding in relation to the Heritage Grants Program and Queensland Sustainable Energy Innovation Fund has been deferred to future years to better reflect the payments being made from the programs in line with the approval process and milestone achievement.
14. Increase in depreciation expense relates primarily to the impact of asset revaluations on infrastructure.

Major variations between 2008-09 Estimated Actual and the 2009-10 Estimate include:

15. Decrease is primarily related to one-off funding in 2008-09 for the Moreton Bay Structural Adjustment Package which has been largely off-set by additional funding in 2009-10 for Great Barrier Reef Protection Package and Brisbane CBD accommodation and deferrals from 2008-09.
16. Mainly relates to decrease in Commonwealth funding due to completion of projects most notably the Renewable Remote Power Generation Program.
17. Mainly relates to enterprise bargaining salary and wage increase supplementation. Also includes additional staff associated with Enhanced Compliance for Environmentally Relevant Activities (ERAs), environmental assessment of new mining, petroleum and gas industry projects, Moreton Bay Marine Park management and Great Barrier Reef Protection Package.
18. Decrease primarily relates to the Moreton Bay Structural Adjustment Package, Cloud Seeding and Environmental Offsets Exchange. Also the 2008-09 year includes additional expenditure in relation to grant funding and the Natural Disaster Relief and Recovery Arrangements.
19. Additional expenditure relates to deferrals from previous year for Heritage Grants, SEQ Water and National Packaging Covenant. The Renewable Remote Power Generation Program will finish during 2009-10 which was earlier than originally anticipated. Funding in relation to the Heritage Grants Program and Queensland Sustainable Energy Innovation Fund has been deferred to future years to better reflect the payments being made from the programs in line with the approval process and milestone achievement.
20. Increase in depreciation expense relates primarily to the impact of asset revaluations on infrastructure.

Statement of Changes in Equity

Major variations between 2008-09 Budget and 2008-09 Estimated Actual include:

21. Reflects transfer asset revaluation reserve to equity adjustments/MoG transfers as a result of the abolition of the Environmental Protection Agency on 26th March 2009.
22. Reflects transfer of accumulated funds to equity adjustments/MoG transfers as a result of the abolition of the Environmental Protection Agency on 26th March 2009.

Major variations between 2008-09 Estimated Actual and the 2009-10 Estimate include:

23. Reflects transfer asset revaluation reserve to equity adjustments/MoG transfers as a result of the abolition of the Environmental Protection Agency on 26th March 2009.
24. Reflects transfer of accumulated funds to equity adjustments/MoG transfers as a result of the abolition of the Environmental Protection Agency on 26th March 2009.

Balance Sheet

Major variations between 2008-09 Budget and 2008-09 Estimated Actual include:

25. Reduction in cash assets mainly due to cash contribution to the Annual Leave Central Scheme.
26. Relates mainly to lower than anticipated GST receivable as well as the transfer of unexpended advances from prepayments to Other as a result of the new whole-of-Government chart of accounts.
27. Mainly relates to Unexpended Advances forwarded in anticipation of land acquisitions. These advances are difficult to accurately predict as it is dependant on the settlement of land for which negotiations are often protracted.
28. Increase primarily relates to the actual impact of the asset revaluation exercise at the end of 2007-08 that resulted in a significant increment in the value of land and infrastructure assets.
29. Increase reflects the capitalisation of works in progress related to software asset development and enhancements.
30. Increase in payables reflects audited actual balances at the end of 2007-08 and an anticipated increase in payables of an operating nature in 2008-09.
31. The decrease in Employee Benefit Obligations largely reflects the transfer of annual leave liabilities to the Annual Leave Central Scheme (ALCS). The ALCS was established on 30 June 2008 to centrally fund annual leave obligations of departments, commercialised business units and shared service providers. Annual leave liabilities are held at a consolidated whole-of-Government level. In 2008-09, agencies were required to compensate the Crown for the current portion of annual leave liabilities transferred. Under the ALCS, member agencies must contribute a levy equal to their accrued annual leave cost. Amounts paid to employees for annual leave are claimed back from the scheme.

Major variations between 2008-09 Budget and 2009-10 Estimate include:

32. Reduction in cash assets mainly due to cash contribution to the Annual Leave Central Scheme.
33. Relates mainly to lower than anticipated GST receivable as well as the transfer of unexpended advances from prepayments to Other as a result of the new whole-of-Government chart of accounts.
34. Mainly relates to Unexpended Advances forwarded in anticipation of land acquisitions. These advances are difficult to accurately predict as it is dependant on the settlement of land for which negotiations are often protracted.
35. Increase primarily relates to the actual impact of the asset revaluation exercise at the end of 2007-08 that resulted in a significant increment in the value of land and infrastructure assets.
36. Increase reflects the capitalisation of works in progress related to software asset development and enhancements.
37. Increase in payables reflects audited actual balances at the end of 2007-08 and an anticipated increase in payables of an operating nature in 2008-09.
38. The decrease in Employee Benefit Obligations largely reflects the transfer of annual leave liabilities to the Annual Leave Central Scheme (ALCS). The ALCS was established on 30 June 2008 to centrally fund annual leave obligations of departments, commercialised business units and shared service providers. Annual leave liabilities are held at a consolidated whole-of-Government level. In 2008-09, agencies were required to compensate the Crown for the current portion of annual leave liabilities transferred. Under the ALCS, member agencies must contribute a levy equal to their accrued annual leave cost. Amounts paid to employees for annual leave are claimed back from the scheme.
39. Relates to the Tweed River Sand Bypassing System promissory notes.

Major variations between 2008-09 Estimated Actual and the 2009-10 Estimate include:

40. Increase primarily relates to the anticipated impact of the asset revaluation exercise at the end of 2008-09.
41. Increase reflects predicted capitalisation of works in progress related to software asset development and enhancements.
42. Relates to the Tweed River Sand Bypassing System promissory notes.

Cash Flow Statement

Major variations between 2008-09 Budget and 2008-09 Estimated Actual include:

43. Mainly due to re-categorisation of revenue to Other Revenue in line with new whole-of-Government chart of accounts.
44. Increase largely relates to the Environmental Partnership Scheme as well as funding from mining company Xstrata for sponsorship to support the reintroduction of the endangered Northern Hairy Nosed Wombat to a site near St George in south-west Queensland.
45. Increase mainly relates to funding for the Environmental Offsets Exchange, additional grant funding and supplementation under the Natural Disaster Relief and Recovery Arrangements.
46. Increase mainly relates to the Environmental Partnership Scheme and Renewable Remote Power Generation Program.
47. Relates to cash contribution to the Annual Leave Central Scheme.
48. Reflects approved carry-overs for plant and equipment, land acquisitions and additional funding for the Moreton Bay Zoning Plan.
49. Equity injections/withdrawals reflect the cash adjustments made by Government to fund capital acquisitions. The increase in 2008-09 relates primarily to the deferral of funds from 2007-08.

Major variations between 2008-09 Budget and 2009-10 Estimate include:

50. Decrease is primarily related to one-off funding of 2008-09 for the Moreton Bay Structural Adjustment Package which has been largely off-set by additional funding in 2009-10 for Great Barrier Reef Protection Package and Brisbane CBD accommodation.
51. Mainly due to re-categorisation of revenue to Other Revenue in line with whole-of-Government chart of accounts.
52. Mainly relates to decrease in Commonwealth funding due to completion of projects most notably the Renewable Remote Power Generation Program.
53. Mainly relates to additional staff associated with Enhanced Compliance for Environmentally Relevant Activities (ERAs) and enterprise bargaining salary and wage increase supplementation.
54. Primarily relates to Moreton Bay Structural Adjustment Package, Environmental Offsets Exchange and efficiency dividend.
55. Funding in 2008-09 included deferrals from previous year for Heritage Grants, SEQ Water and National Packaging Covenant. The Renewable Remote Power Generation Program will finish during 2009-10 which was earlier than originally anticipated. Funding in relation to the Heritage Grants Program and Queensland Sustainable Energy Innovation Fund has been deferred to future years to better reflect the payments being made from the programs in line with the approval process and milestone achievement.
56. Decrease mainly relates to the rainforest/green land acquisition program which reduces by \$10 million in 2009-10.
57. Equity injections/withdrawals reflect the cash adjustments made by Government to fund capital acquisitions. The funding in 2008-09 included moneys deferred from 2007-08.

Major variations between 2008-09 Estimated Actual and the 2009-10 Estimate include:

- 58 Decrease primarily relates to the Moreton Bay Structural Adjustment Package, maintenance of EPA Estate Infrastructure, Environmental Offsets Exchange and Efficiency Savings.
- 59 Mainly relates to decrease in Commonwealth funding due to completion of projects most notably the Renewable Remote Power Generation Program.
- 60 Mainly relates to enterprise bargaining for salary and wage increase supplementation. Also includes additional staff associated with Enhanced Compliance for Environmentally Relevant Activities (ERAs), environmental assessment of new mining, petroleum and gas industry projects and for Moreton Bay Marine Park management.
- 61 Decrease primarily relates to the Moreton Bay Structural Adjustment Package, maintenance of EPA Estate Infrastructure and Environmental Offsets Exchange, transfers from Queensland Climate Change Fund to other Departments and the efficiency dividend.
- 62 Funding in 2008-09 included deferrals from previous year for Heritage Grants, SEQ Water and National Packaging Covenant. The Renewable Remote Power Generation Program will finish during 2009-10 which was earlier than originally anticipated. Funding in relation to the Heritage Grants Program and Queensland Sustainable Energy Innovation Fund has been deferred to future years to better reflect the payments being made from the programs in line with the approval process and milestone achievement.
- 63 Relates to cash contribution to the Annual Leave Central Scheme.
- 64 Decrease mainly relates to approved carryover included in 2008-09 estimated actual, decreased expenditure on land acquisition programs including rainforest/green land and Daintree. Estimated actual for 2008-09 also includes one-off funding of \$1.5 million for Moreton Bay Zoning Plan.
- 65 Equity injections/withdrawals reflect the cash adjustments made by Government to fund capital acquisitions. The funding in 2008-09 included moneys deferred from 2007-08.

Administered Income Statement

Major variations between 2008-09 Budget and 2008-09 Estimated Actual include:

- 66. Increase primarily due to the part-year effect of the introduction of an enhanced Environmentally Relevant Activity regulatory regime which was introduced on 1 January 2009.

Major variations between 2008-09 Budget and 2009-10 Estimate include:

- 67. Increase primarily due to the full-year effect of the introduction of an enhanced Environmentally Relevant Activity regulatory regime which was introduced on 1 January 2009. Also includes additional revenue generated from tendering for commercial sand extraction and fees for the assessment of Environmental Impact Statements.

Major variations between 2008-09 Estimated Actual and the 2009-10 Estimate include:

- 68. Increase primarily due to the part-year effect of the introduction of an enhanced Environmentally Relevant Activity regulatory regime which was introduced on 1 January 2009. Also includes additional revenue generated from tendering for commercial sand extraction and fees for the assessment of Environmental Impact Statements.

Administered Balance sheet

Major variations between 2008-09 Budget and 2008-09 Estimated Actual include:

- 69. Increase in cash reflects increase in payables to Government due to cash revenue received not as yet remitted to the Consolidated Fund.
- 70. Decrease in receivables relates to the estimated balance of regulatory fees receivables as at the 30th June 2009 and is based on the audited actual receivable balance from the 2007-08 financial year.
- 71. Increase relates to cash revenue received but not yet remitted to the Consolidated Fund.
- 72. Other liabilities relate to cash deposits held subsequent to the transfer of environmental assessments under the *Petroleum and Gas (Production and Safety) Act 2004*. In line with new whole-of-Government chart of accounts this item has been re-categorised to Interest-bearing liabilities.

Major variations between 2008-09 Budget and 2009-10 Estimate include:

- 73. Increase in cash reflects increase in payables to Government due to cash revenue received not yet remitted to the Consolidated Fund.
- 74. Decrease in receivables relates to the estimated balance of regulatory fees receivables as at the 30th June 2009 and is based on the audited actual receivable balance from the 2007-08 financial year.
- 75. Increase relates to cash revenue received but not yet remitted to the Consolidated Fund.
- 76. Other liabilities relate to cash deposits held subsequent to the transfer of environmental assessments under the *Petroleum and Gas (Production and Safety) Act 2004*. In line with new whole-of-Government chart of accounts this item has been re-categorised to Interest-bearing liabilities.

Administered Cash Flow Statement

Major variations between 2008-09 Budget and 2008-09 Estimated Actual include:

- 77. Increase primarily due to the part-year effect of the introduction of an enhanced Environmentally Relevant regulatory regime.

Major variations between 2008-09 Budget and 2009-10 Estimate include:

- 78. Increase primarily due to the full-year effect of the introduction of an enhanced Environmentally Relevant regulatory regime and additional revenue generated from tendering for commercial sand extraction and fees for the assessment of Environmental Impact Statements.

Major variations between 2008-09 Estimated Actual and the 2009-10 Estimate include:

- 79. Increase primarily due to the part-year effect of the introduction of an enhanced Environmentally Relevant regulatory regime and additional revenue generated from tendering for commercial sand extraction and fees for the assessment of Environmental Impact Statements.

Income Statement

Natural Resources and Water	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
Income				
Output revenue	1,7,14	426,981	441,069	396,232
User charges		53,334	52,034	53,725
Grants and other contributions	2,8,15	62,515	66,643	36,358
Other revenue	3,9	21,175	19,245	19,723
Gains on sale/revaluation of property, plant and equipment and investments		96	196	100
Total income		564,101	579,187	506,138
Expenses				
Employee expenses	10,16	240,374	241,096	257,561
Supplies and services	4,11,17	158,148	140,718	129,033
Grants and subsidies	5,12,18	101,998	112,706	94,076
Depreciation and amortisation		16,932	17,432	18,168
Finance/borrowing costs		..	..	..
Other expenses	6,13,19	43,130	65,966	6,231
Losses on sale/revaluation of property, plant and equipment and investments		69	69	69
Total expenses		560,651	577,987	505,138
OPERATING SURPLUS/(DEFICIT)		3,450	1,200	1,000

Statement of Changes in Equity

Natural Resources and Water	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve	(a)	9,060	(132,565)	3,540
Net amount of all revenue and expense adjustments direct to equity not disclosed above	(a)	..	(369,128)	..
Net income recognised directly in equity		9,060	(501,693)	3,540
Surplus/(deficit) for the period		3,450	1,200	1,000
Total recognised income and expense for the period		12,510	(500,493)	4,540
Equity injection/(withdrawal)		(1,273)	1,064	(300)
Equity adjustments (MoG transfers)	(a)	..	510,753	..
Total movement in equity for period		11,237	11,324	4,240

Notes:

- (a) The variances between the 2008-09 Budget and the 2008-09 Estimated Actual and between the 2008-09 Estimated Actual and the 2009-10 Estimate primarily represent the transfer of the balances of the Asset Revaluation Reserve and Retained Surplus to Contributed Equity to reflect Machinery of Government changes.

Balance Sheet

Natural Resources and Water	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
CURRENT ASSETS				
Cash assets	20,27	28,388	22,847	22,463
Receivables		32,135	34,196	34,619
Other financial assets		..	..	..
Inventories		1,689	1,645	1,645
Other	21,28	32,914	15,247	15,247
Non-financial assets held for sale		..	..	..
Total current assets		95,126	73,935	73,974
NON-CURRENT ASSETS				
Receivables		..	219	..
Other financial assets		..	..	..
Property, plant and equipment	22,29,33	179,258	182,227	183,082
Intangibles	23	17,347	14,702	17,416
Other		..	..	..
Total non-current assets		196,605	197,148	200,498
TOTAL ASSETS		291,731	271,083	274,472
CURRENT LIABILITIES				
Payables		34,317	35,688	35,837
Employee benefit obligations	24,30	24,381	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	25,31	42,767	45,459	44,459
Total current liabilities		101,465	81,147	80,296
NON-CURRENT LIABILITIES				
Payables		..	..	..
Employee benefits obligations	24,30	5,178	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		5,178	..	..
TOTAL LIABILITIES		106,643	81,147	80,296
NET ASSETS/(LIABILITIES)		185,088	189,936	194,176
EQUITY				
Capital/contributed equity	26,32	(333,599)	180,876	180,576
Retained surplus/(accumulated deficit)	26,32	371,110	..	1,000
Reserves:				
- Asset revaluation reserve	26,32	147,577	9,060	12,600
- Other (specify)		..	..	..
TOTAL EQUITY		185,088	189,936	194,176

Cash Flow Statement

Natural Resources and Water	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Output receipts	34,43,51	426,981	432,290	396,232
User charges		57,233	55,933	57,624
Grants and other contributions	35,44	60,015	38,143	34,858
Other		37,275	35,345	35,823
Outflows:				
Employee costs	45,52	(238,941)	(241,096)	(257,561)
Supplies and services	36,46,53	(172,107)	(154,244)	(143,484)
Grants and subsidies	37,47,54	(101,998)	(97,046)	(94,076)
Borrowing costs		..	..	..
Other	38,48,55	(48,520)	(102,845)	(11,621)
Net cash provided by/(used in) operating activities		19,938	(33,520)	17,795
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		443	543	446
Investments redeemed		..	..	..
Loans and advances redeemed		447	447	251
Outflows:				
Payments for property, plant and equipment and intangibles	39,56	(14,553)	(21,178)	(18,576)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		(13,663)	(20,188)	(17,879)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..		
Equity injections	40,49,57	5,806	4,759	63,646
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	40,49,57	(7,079)	(3,579)	(63,946)
Net cash provided by/(used in) financing activities		(1,273)	1,180	(300)
Net increase/(decrease) in cash held		5,002	(52,528)	(384)
Cash at the beginning of financial year	41,50,58	23,386	75,375	22,847
Cash transfers from restructure		..	..	..
Cash at the end of financial year	42,50	28,388	22,847	22,463

Administered Income Statement

Natural Resources and Water	Notes	2008-09 Adjusted Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
Revenues				
Commonwealth grants		..	..	..
Taxes, fees and fines	59,64,69	278,510	194,021	200,217
Royalties, property income and other territorial Revenue	60,65,69	50,359	63,414	65,462
Interest		2,164	2,164	2,164
Administered item revenue	61,66,70	10,872	12,957	31,091
Other	62,71	66,645	127,802	69,088
Total revenues		408,550	400,358	368,022
Expenses				
Supplies and services	72	2,721	3,560	1,305
Depreciation and amortisation		185	185	185
Grants and subsidies	63,67,73	2,919	6,856	29,054
Benefit payments		..	..	..
Borrowing costs		..	..	..
Other	68,74	10,452	10,261	5,952
Total expenses		16,277	20,862	36,496
Net surplus or deficit before transfers to Government		392,273	379,496	331,526
Transfers of administered revenue to Government		342,273	268,379	276,623
OPERATING SURPLUS/(DEFICIT)		50,000	111,117	54,903

Administered Balance Sheet

Natural Resources and Water	Notes	2008-09 Adjusted Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
CURRENT ASSETS				
Cash assets	75,78	24,411	14,130	14,130
Receivables		25,988	24,398	24,398
Inventories		..	..	..
Other		30,086	29,959	29,959
Non-financial assets held for sale	75,78	11,028	26,383	26,383
Total current assets		91,513	94,870	94,870
NON-CURRENT ASSETS				
Receivables	75,78,81	45,518	49,788	45,288
Other financial assets		..	..	..
Property, plant and equipment	76,79,82	21,959,915	23,425,472	24,052,471
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		22,005,433	23,475,260	24,097,759
TOTAL ADMINISTERED ASSETS		22,096,946	23,570,130	24,192,629
CURRENT LIABILITIES				
Payables	75,78	8,114	9,974	9,974
Transfers to Government payable	75,78	22,485	15,960	15,960
Interest-bearing liabilities		..	..	..
Other	75,78	39,589	33,449	33,449
Total current liabilities		70,188	59,383	59,383
NON-CURRENT LIABILITIES				
Payables		..	..	..
Interest-bearing liabilities		..	..	..
Other		..	..	..
Total non-current liabilities		..	..	..
TOTAL ADMINISTERED LIABILITIES		70,188	59,383	59,383
ADMINISTERED NET ASSETS/(LIABILITIES)		22,026,758	23,510,747	24,133,246
EQUITY				
Capital/Contributed equity	77,80,83	(184,427)	23,157,180	23,179,712
Retained surplus/(Accumulated deficit)	77,80	5,823,672	11,716	66,619
Reserves:				
- Asset revaluation reserve	77,80	16,387,513	341,851	886,915
- Other (specify)		..	..	..
TOTAL ADMINISTERED EQUITY		22,026,758	23,510,747	24,133,246

Administered Cash Flow Statement

Natural Resources and Water	Notes	2008-09 Adjusted Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Administered item receipts	84,94,103	10,872	11,501	31,091
Grants and other contributions	85,95,104	..	3,617	4,903
Taxes, fees and fines	86,96,105	278,510	194,021	200,217
Royalties, property income and other territorial revenues	87,97,105	50,359	63,414	65,462
Other	88,98	8,945	6,485	6,485
Outflows:				
Transfers to Government	89,99,106	(342,273)	(268,379)	(276,623)
Grants and subsidies	90,100,107	(2,919)	(6,856)	(29,054)
Supplies and services	108	(3,069)	(3,908)	(1,653)
Borrowing costs		..	..	..
Other	91,101,109	(14,425)	(11,734)	(9,925)
Net cash provided by/(used in) operating activities		(14,000)	(11,839)	(9,097)
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		31,068	31,068	31,068
Investments redeemed		..	..	..
Loans and advances redeemed		12,000	12,000	12,000
Outflows:				
Payments for property, plant and equipment and intangibles	92,110	(44,000)	(30,190)	(49,003)
Payments for investments		..	..	..
Loans and advances made		(7,500)	(7,500)	(7,500)
Net cash provided by/(used in) investing activities		(8,432)	5,378	(13,435)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..		
Equity injections	92,110	44,000	26,573	44,100
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		(21,568)	(22,054)	(21,568)
Net cash provided by/(used in) financing activities		22,432	4,519	22,532
Net increase/(decrease) in cash held		..	(1,942)	..
Administered cash at beginning of financial year	93,102	24,411	16,072	14,130
Cash transfers from restructure		..	..	..
Administered cash at end of financial year	93,102	24,411	14,130	14,130

Explanation of Variances in the Financial Statements

Natural Resources and Water

Income Statement

Major variations between 2008-09 Budget and 2008-09 Estimated Actual include:

1. The increase mainly reflects the additional funding provided for the Home WaterWise Rebate Schemes.
2. The increase is mainly due to higher Australian Government funding for the Caring for our Country initiative.
3. Decreased demand for native forest products has resulted in a decline in royalty revenue.
4. The decrease in the Estimated Actual mainly relates to the water asset management and regulation initiative which was delayed by the unavailability of suitably qualified personnel.
5. Increased grants mainly relating to the Caring for our Country programs and deferred vegetation management incentives were partly offset by lower than expected community service obligation payments for water supply.
6. Payments under the Home WaterWise Rebate Scheme were higher than expected.

Major variations between 2008-09 Budget and 2009-10 Estimate include:

7. Funding decreases due to the finalisation of initiatives such as the Home WaterWise Rebate Schemes and the National Action Plan for Salinity and Water Quality, and the deferral of funding for the water asset management and regulation initiatives. The decreases are offset by increased funding for the Great Artesian Basin Sustainability Initiative, the deferred vegetation management incentives and enterprise bargaining related salary increases.
8. The reduced 2009-10 grant revenue reflects the unfinalised funding arrangements with the Australian Government under the Caring for our Country program.
9. Decreased demand for native forest products is expected to result in a decline in royalty revenue.
10. Employee costs are expected to rise with enterprise bargaining salary increases and additional staff costs for activities such as water asset management and regulation and the Great Artesian Basin Sustainability Initiative.
11. Supplies and services for water asset management and regulation initiatives are expected to fall due to engagement of salaried staff rather than contracted staff. The winding up of the Home WaterWise Rebate Schemes will result in a further fall in outlays.
12. The reduced grant expense reflects the unfinalised funding arrangements with the Australian Government for the Caring for our Country program partly offset by the payment of deferred vegetation management incentives.
13. Home WaterWise Rebate Scheme payments are expected to fall with the winding up of this initiative.

Major variations between 2008-09 Estimated Actual and the 2009-10 Estimate include:

14. Funding decreases due to the finalisation of initiatives such as the Home WaterWise Rebate Schemes and the National Action Plan for Salinity and Water Quality are partly offset by increased funding for the Great Artesian Basin Sustainability Initiative, dam spillway upgrade grants, deferred vegetation management incentives and enterprise bargaining related salary increases.
15. The reduced 2009-10 revenue mainly reflects exclusion of funds from the Australian Government for the Caring for our Country Program which is currently under negotiation and expected to be completed during 2009-10.
16. Employee costs are expected to rise with enterprise bargaining related salary increases and additional costs for activities such as water asset management and regulation and the Great Artesian Basin Sustainability Initiative.
17. Supplies and services are expected to fall with the winding up of the Home WaterWise Rebate Schemes. Further reductions relate to the State Rural Leasehold Strategy, implementation of the Vegetation Management Framework, East Trinity property remediation and other initiatives funded from 2007-08 budget carryovers.
18. The reduced grant payments reflect the unfinalised funding arrangements with the Australian Government under the Caring for our Country program. The reduction is partly offset by increased dam spillway grants and the payment of deferred vegetation management incentives.
19. Reduction reflects Home WaterWise Rebate Scheme final payments due to the winding up of this initiative from 31 December 2008.

Balance Sheet

Major variations between 2008-09 Budget and 2008-09 Estimated Actual include:

20. The decrease in the cash balance reflects the transfer of funds to the centrally managed employees' annual leave scheme. The decrease is partly offset by higher than forecast advances for land purchases on behalf of other agencies.
21. Other current assets include unexpended advances held by recipient organisations which are expected to fall.
22. The value of property, plant and equipment is expected to increase with asset revaluations and the acquisition of equipment for water management and climate change initiatives.
23. Water related software projects were delayed by the unavailability of qualified personnel.
24. The liability for employees' accrued annual leave was transferred to the Annual Leave Central Scheme (ALCS). The ALCS was established on 30 June 2008 to centrally fund annual leave obligations of departments, commercialised business units and shared service providers. Annual leave liabilities are held at a consolidated whole-of-Government level. In 2008-09, agencies were required to compensate the Crown for the current portion of annual leave liabilities transferred. Under the ALCS, member agencies must contribute a levy equal to their accrued annual leave cost. Amounts paid to employees for annual leave are claimed back from the scheme.
25. Other current liabilities are expected to increase as a result of higher than forecast cash advances for land purchases on behalf of other agencies offset by an expected decrease in unearned grant revenue.
26. Contributed equity was adjusted to reflect the unbudgeted transfer of the non-current component of employees' annual leave entitlements to the centrally managed scheme.

Major variations between 2008-09 Budget and 2009-10 Estimate include:

27. The decrease in the cash balance reflects the transfer of funds to the centrally managed employees' annual leave scheme. The decrease is partly offset by higher than forecast advances for land purchases on behalf of other agencies.
28. Unexpended grants held by recipient bodies, shown under Other current assets, are expected to fall.
29. The value of property, plant and equipment is expected to increase with asset revaluations and the acquisition of equipment for water management and climate change initiatives.

30. The liability for employees' accrued annual leave was transferred to the Annual Leave Central Scheme (ALCS). The ALCS was established on 30 June 2008 to centrally fund annual leave obligations of departments, commercialised business units and shared service providers. Annual leave liabilities are held at a consolidated whole-of-Government level. In 2008-09, agencies were required to compensate the Crown for the current portion of annual leave liabilities transferred.
31. Other current liabilities are expected to increase with higher cash advances for land purchases on behalf of other agencies, offset by an expected decrease in unearned grant revenue.
32. Contributed equity was adjusted by the unbudgeted transfer of the non-current liability for employees' annual leave entitlements to the centrally managed scheme.

Major variations between 2008-09 Estimated Actual and the 2009-10 Estimate include:

33. The value of property plant and equipment is expected to increase mainly as a result of asset revaluations.

Cash Flow Statement

Major variations between 2008-09 Budget and 2008-09 Estimated Actual include:

34. The increase mainly reflects funding for rebates under the Home WaterWise Rebate Schemes partly offset by the deferral of funding for dam spillway upgrade grants and for water asset management and regulation. The decrease is partly offset by higher funding for vegetation management incentives deferred from 2007-08.
35. The decrease reflects an unbudgeted fall in unearned Commonwealth grant revenue.
36. The decrease mainly relates to the water asset management and regulation initiative which was delayed by the unavailability of suitably qualified personnel.
37. The decrease in the grant expense as a result of the deferral of dam spillway upgrade grants is partly offset by increased grant expenses in relation to the Caring for our Country initiatives and deferred vegetation management incentives.
38. Home WaterWise Rebate Scheme payments were higher than budgeted. Payments also include the transfer of cash to the centrally managed employees' annual leave scheme.
39. Increased asset acquisitions were funded by the carryover of 2007-08 budget and cash reserves.
40. Equity injections carried over from 2007-08 were offset by a reduction in funding for SunWater that also impacted on equity withdrawals.
41. Cash held in relation to unearned revenue, advances for land acquisitions on behalf of other agencies and for plant and equipment acquisition was higher than expected.
42. The transfer of cash to the ALCS is partially offset by increased holdings for land acquisitions for other agencies.

Major variations between 2008-09 Budget and 2009-10 Estimate include:

43. Funding decreased due to the finalisation of initiatives such as the Home WaterWise Rebate Schemes and the National Action Plan for Salinity and Water Quality and the deferral of funding for the water asset management and regulation initiative. The decreases are partly offset by funding increases for the Great Artesian Basin Sustainability Initiative, vegetation management incentives deferred from 2007-08 and enterprise bargaining related salary increases.
44. The reduced grant revenue reflects the unfinalised funding arrangements with the Australian Government under the Caring for our Country program.
45. Expenses increase as a result of enterprise bargaining related salary increases and staff costs in relation to initiatives such as water asset management and regulation and the Great Artesian Basin Sustainability Initiative.
46. Supplies and services are expected to fall with the engagement of salary staff rather than contractors for water asset management and regulation initiatives and the winding up of the Home WaterWise Rebate Schemes.
47. The fall in grants mainly reflects the unfinalised funding arrangements with the Australian Government under the Caring for our Country program, offset by vegetation management incentives deferred from 2007-08.
48. Home WaterWise Rebate Scheme payments are expected to fall with the winding up of this initiative.
49. Equity adjustments in 2009-10 include receipt and transfer out of higher amounts for SunWater capital projects.
50. The transfer of cash to the ALCS is partially offset by increased holdings for land acquisitions for other agencies.

Major variations between 2008-09 Estimated Actual and the 2009-10 Estimate include:

51. Funding decreases due to the finalisation of the Home WaterWise Rebate Schemes and the National Action Plan for Salinity and Water Quality are partly offset by increased funding for the Great Artesian Basin Sustainability Initiative, deferred vegetation management incentives, dam spillway grants and enterprise bargaining related salary increases.
52. Employee costs are expected to increase due to enterprise bargaining salary increases and additional costs for initiatives such as water asset management and regulation and the Great Artesian Basin Sustainability Initiative.
53. Supplies and services are expected to fall due to the winding up of the Home WaterWise Rebate Schemes. Further reductions relate to the State Rural Leasehold Strategy, implementation of the Vegetation Management Framework, East Trinity property remediation and other initiatives funded from 2007-08 budget carryovers.
54. The fall in grant payments as a result of the unfinalised funding arrangements with the Australian Government under the Caring for our Country program, is partly offset by increased dam spillway upgrade grants and payment of deferred vegetation management incentives.
55. Home WaterWise Rebate Scheme payments are expected to fall with the winding up of this initiative.
56. Equipment acquired in 2008-09 included items funded from 2007-08 budget carried over and cash reserves.
57. Equity adjustments in 2009-10 include higher receipt and payment of funding for SunWater capital projects.
58. Cash held in relation to unearned revenue is expected to decrease and cash was transferred to the ALCS.

Administered Income Statement

Major variations between 2008-09 Budget and 2008-09 Estimated Actual include:

59. With the downturn in the real estate market, revenue from land titling activities was less than expected.
60. Revenue from administered land rentals increased in line with property revaluations.
61. Additional funding for grants to the Queensland Water Commission was offset by a reduced requirement for drought assistance rebates.
62. The increase reflects higher land contributions by developers and capital grants for dam spillway upgrades.
63. Additional grants were paid to the Queensland Water Commission to develop communication campaigns.

Major variations between 2008-09 Budget and 2009-10 Estimate include:

64. With the downturn in the real estate market, revenue from land titling activities is expected to fall.
65. Revenue from administered land rentals is expected to increase in line with property revaluations.
66. The increase reflects funding for the full year grants to the Queensland Water Commission partly offset by decreased funding for drought assistance rebates and non-commercial water infrastructure asset maintenance.

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67. The 2009-10 grants reflect the full year payments to the Queensland Water Commission after Machinery-of-Government changes effective 26 March 2009.
68. Claims for water charge rebates are expected to fall in 2009-10.

Major variations between 2008-09 Estimated Actual and the 2009-10 Estimate include:

69. Revenue is expected to increase primarily as a result of CPI fee increases and property revaluations.
70. Increased funding is required for Queensland Water Commission grants while reduced funding is required for drought assistance rebates and non-commercial water infrastructure asset maintenance.
71. A lesser amount is provided in 2009-10 for land contributions by developers which exceeded budget in 2008-09.
72. Maintenance costs for non-commercial water infrastructure assets are expected to fall in 2009-10.
73. Grant payments in 2009-10 reflect the full year payments to the Queensland Water Commission after Machinery-of-Government changes effective 26 March 2009.
74. Claims for water charge rebates are expected to fall in 2009-10.

Administered Balance Sheet

Major variations between 2008-09 Budget and 2008-09 Estimated Actual include:

75. End of year balances have been adjusted in accordance with actual balances at 30 June 2008. Balances fluctuate from year to year and cannot be accurately forecast.
76. Increased land values from higher than expected revaluations and contributions by developers were partly offset by lower than expected acquisitions of land for future dam sites and increased land grants.
77. As a result of Machinery-of-Government changes effective 26 March 2009, Contributed equity now includes the balances of Retained surplus and Asset revaluation reserves.

Major variations between 2008-09 Budget and 2009-10 Estimate include:

78. The 2009-10 balance has been adjusted to align with actual balances at 30 June 2008. Balances fluctuate from year to year and cannot be accurately forecast.
79. The value of land is expected to increase as a result of revaluations, land contributions from developers and land acquisitions for future dam sites. The increase is partially offset by the estimated value of future land sales.
80. As a result of Machinery-of-Government changes effective 26 March 2009, Contributed equity now includes the balances of Retained surplus and Asset revaluation reserves.

Major variations between 2008-09 Estimated Actual and the 2009-10 Estimate include:

81. This balance represents instalments receivable on freehold leases and is falling as leases reach maturity.
82. The increase reflects land revaluations, land contributions by developers and acquisitions for future dam sites.
83. Funding for land acquisitions is partly offset by remittances of revenue from land sales to the Consolidated Fund.

Administered Cash Flow Statement

Major variations between 2008-09 Budget and 2008-09 Estimated Actual include:

84. Funding required for drought assistance rebates on water charges was less than expected. The decrease is partly offset by an increased funding for a grant to the Queensland Water Commission.
85. Grant revenue includes an unbudgeted capital grant for the upgrade of dam spillways.
86. With the downturn in the real estate market, revenue from land titling activities was less than expected.
87. Revenue from administered land rentals increased in line with higher than expected property revaluations.
88. Revenue from water usage charges, budgeted as Other revenue, is now reported under Taxes, fees and fines.
89. Transfers to the Consolidated Fund were less than budgeted due to the net reduction in Administered revenue collected.
90. Additional grants were paid to the Queensland Water Commission to develop communication campaigns.
91. Claims for drought assistance rebates on water charges were less than expected.
92. Land acquisitions for future dam sites and associated Equity injection funding were less than budgeted as fewer than expected properties were available for purchase.
93. Advances received for proposed land acquisitions and deposits on land sales were less than budgeted.

Major variations between 2008-09 Budget and 2009-10 Estimate include:

94. The increased funding provided in 2009-10 for grants to the Queensland Water Commission is partly offset by reduced funding for drought assistance rebates and non-commercial water infrastructure asset maintenance.
95. The 2009-10 Estimate includes capital grants for dam spillway upgrades.
96. With the downturn in the real estate market, revenue from land titling activities is expected to fall.
97. Revenue from administered land rentals is expected to increase in line with property revaluations.
98. Revenue from water usage charges, budgeted as Other revenue, is now reported under Taxes, fees and fines.
99. Transfers to the Consolidated Fund are expected to decrease with the net reduction in Administered revenue collected.
100. The 2009-10 grant payment to the Queensland Water Commission increases as it reflects a full year expense after Machinery-of-Government changes effective 26 March 2009.
101. Claims for drought assistance rebates on water charges are expected to decrease.
102. Provision is made for a reduction in the balance of advances held for proposed land acquisitions.

Major variations between 2008-09 Estimated Actual and the 2009-10 Estimate include:

103. Funding for 2009-10 provides for full year grants to the Queensland Water Commission offset by lesser amounts for drought assistance rebates and for non-commercial water infrastructure asset maintenance.
104. Capital grants to undertake dam spillway upgrades are expected to increase in 2009-10.
105. Revenue is expected to increase primarily as a result of CPI fee/rental increases.
106. Transfers to the Consolidated Fund are expected to increase in line with the upturn in Administered revenue collected.
107. 2009-10 grants to the Queensland Water Commission will increase with the inclusion of the full year transactions after Machinery-of-Government changes effective 26 March 2009.
108. Outlays on the maintenance of non-commercial water infrastructure assets are expected to decrease.
109. Claims for drought assistance rebates on water charges are expected to fall.
110. Acquisitions of land for future dam sites and associated Equity injection funding is expected to increase.

Statutory Body

Queensland Water Commission

Overview

The Queensland Water Commission (the Commission) is an independent statutory body responsible for achieving safe, secure and sustainable urban water supplies in South East Queensland (SEQ). The Commission operates under a legislative framework defined in the *Water Act 2000* and contributes to the achievement of the government's Toward Q2 ambitions of Strong - Creating a diverse economy powered by bright ideas and Green - Protecting our lifestyle and environment.

The Commission's staff establishment for 2009-10 will be 84 full time equivalents. In 2009-10, the Commission's operating budget will be approximately \$28 million reflecting the recently announced reduction in funding due to changes in the Commissions structure.

Review of performance

Recent achievements

In 2008-09 the Commission has made the following steps towards maintaining the short-term water balance and ensuring long-term water security in SEQ:

- implemented and monitored High and Medium Level Water Restrictions, including announcement of the introduction of Medium Level Restrictions in the Redlands, Sunshine Coast and Scenic Rim council areas
- monitored performance of SEQ Water Grid bulk entities against their contractual obligations and the Market Rules introduced on 1 July 2008
- provided advice to the Queensland Government on the introduction of purified recycled water to supplement SEQ's drinking water supplies on an emergency basis
- commenced investigations into sub-regional total water cycle management planning for the Mt Lindesay/North Beaudesert, Lockyer and Warrill Valley areas
- provided advice to the Queensland Government regarding potential further desalination sites
- consulted with industry and the community on the SEQ Water Strategy, a plan to meet the region's water supply needs for the next 50 years.

Future developments

During 2009-10 changes to the Commission's structure will be undertaken, including scaling back to a single Commissioner, and consolidation of its corporate and communication services into the Department of Environment and Resource Management.

The Commission will continue with its responsibilities as defined under the *Water Act 2000*, including:

- planning and implementation of demand management practices for residential and non-residential water use
- ongoing development and implementation of the Waterhub modular information management system to support and enable Water Grid management, monitoring and regional reporting

- advice to the Queensland Government on the ongoing institutional reform process, including development of regulatory frameworks relating to economic regulation codes, asset management, explicit Grid-wide planning through the System Operating Plan and Emergency Management Plans, and customer protection
- advice to the Queensland Government on the ongoing development of regional water security options including finalisation and communication of the SEQ Water Strategy.

Statements

Performance Statement

Queensland Water Commission	Notes	2008-09 Target/Est.	2008-09 Est. Actual	2009-10 Target/Est.
Non-financial performance measures				
Reports delivered in accordance with Ministerial Directions	1	100%	100%	100%
Number of Monthly Progress Reports on Water Supply Emergency Projects delivered to the Queensland Government		12	12	12
Errors in public communications and advertising on regional water security position		0	0	0
Effective communication of the detail of mandatory water restrictions	2	75%	73%	75%
Release a System Operating Plan (SOP) for the South East Queensland Water Grid	3	Dec 2008	1 July 2008	Measure discontinued
Release of final South East Queensland Water Supply Strategy	4	Dec 2008	Aug 2009	Aug 2009
Make water restrictions where required by the supply/demand balance	5	100%	100%	100%
State contribution (\$'000)		23,276	27,276	27,966
Other revenue(\$'000)		..	200	200
Total cost (\$'000)		24,076	28,537	28,166

Notes:

1. As at 20 April 2009, two reports under Section 360E of the *Water Act 2000* have been requested in 2008-09.
2. The 2008-09 Estimated Actual figure provided is based on the peak recall percentage monitored through regular market research activities throughout the year. It captures recall of messages relating to Target 170 restrictions by residents in the Brisbane, Ipswich, Logan, Moreton Bay, Lockyer and Somerset Council areas.
3. This measure is being discontinued because the System Operating Plan (SOP) has now been implemented. The Commission will continue to work with the Water Grid Manager to review and update the SOP as required.
4. Due to policy changes in late 2008, the final South East Queensland Water Strategy was not released in December 2008 as originally proposed. It is anticipated the final Strategy will be released in August 2009.
5. New water restrictions have been implemented in 2008-09 following an increase in the combined storage of the Wivenhoe, Somerset and North Pine Dams to 40% (High Level - Target 170 introduced 31 July 2008) and 50% (Medium Level - Target 200 introduced 11 April 2009).

Income Statement

Queensland Water Commission	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
Income				
User charges		..	..	..
Grants and other contributions	1,5,8	23,276	27,276	27,966
Other revenue		..	200	200
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		23,276	27,476	28,166
Expenses				
Employee expenses	9	9,799	9,371	9,618
Supplies and services	2,6,10	14,262	18,781	18,148
Grants and subsidies		..	..	..
Depreciation and amortisation	3,7	15	385	400
Finance/borrowing costs		..	..	..
Other expenses		..	..	..
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		24,076	28,537	28,166
OPERATING SURPLUS/(DEFICIT)	4	(800)	(1,061)	..

Statement of Changes in Equity

Queensland Water Commission	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 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		(800)	(1,061)	..
Total recognised income and expense for the period		(800)	..	..
Equity injection/(withdrawal)		..	(671)	..
Equity adjustments (MoG transfers)	
Total movement in equity for period		(800)	(1,732)	..

Balance Sheet

Queensland Water Commission	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
CURRENT ASSETS				
Cash assets	11,14	852	4,835	5,297
Receivables	12	..	600	500
Other financial assets		..	..	..
Inventories		..	..	..
Other		..	10	12
Non-financial assets held for sale		..	..	..
Total current assets		852	5,445	5,809
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		136	80	70
Intangibles	13,16	1,750	1,400	1,050
Other		..	..	..
Total non-current assets		1,886	1,480	1,120
TOTAL ASSETS		2,738	6,925	6,929
CURRENT LIABILITIES				
Payables	12	634	4,171	3,900
Employee benefits obligations	15	706	1,000	1,250
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		31	..	..
Total current liabilities		1,371	5,171	5,150
NON-CURRENT LIABILITIES				
Payables		..	..	..
Employee benefits obligations	15	135	200	225
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		135	200	225
TOTAL LIABILITIES		1,506	5,371	5,375
NET ASSETS/(LIABILITIES)		1,232	1,554	1,554
EQUITY				
Capital/contributed equity		1,750	1,554	1,554
Retained surplus/(Accumulated deficit)		(518)	..	..
Reserves:				
- Asset revaluation reserve		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		1,232	1,554	1,554

Cash Flow Statement

Queensland Water Commission	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges		..	..	..
Grants and other contributions	18,20	27,005	27,276	27,966
Other		..	200	200
Outflows:				
Employee costs	21	(9,632)	(9,030)	(9,218)
Supplies and services		(19,457)	(17,781)	(17,815)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		..	..	..
Net cash provided by/(used in) operating activities		(2,084)	665	1,133
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	17,22	(52)	(952)	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		(52)	(952)	..
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	19	..	..	(671)
Net cash provided by/(used in) financing activities		..	..	(671)
Net increase/(decrease) in cash held		(2,136)	(287)	462
Cash at the beginning of financial year		2,988	5,122	4,835
Cash transfers from restructure		..	..	..
Cash at the end of financial year		852	4,835	5,297

Explanation of Variances in the Financial Statements

Queensland Water Commission

Income Statement

Major variations between 2008-09 Budget and 2008-09 Estimated Actual include:

1. The increase principally relates to additional funding provided to develop communication campaigns.
2. The increase reflects further development on the Waterhub modular information management system and expenditure relating to the development of communication campaigns.
3. Increase due to the capitalisation of Waterhub modular information management system.
4. The operating deficit in the 2008-09 Estimated Actual principally relates to the use of accumulated surpluses from previous financial years to fund expenditure on the Waterhub modular information system.

Major variations between 2008-09 Budget and 2009-10 Estimate include:

5. The increase principally relates to additional funding for Enterprise Bargaining and detailed desalination studies offset partially by the recently announced reduction in funding due to changes in the Commission's structure in 2009-10.
6. The increase principally relates to detailed desalination studies offset partially by a reduction in expenditure for the Commission due to changes in the Commission's structure in 2009-10.
7. Increase due to the capitalisation of Waterhub modular information management system.

Major variations between 2008-09 Estimated Actual and the 2009-10 Estimate include:

8. The increase principally relates to additional funding for Enterprise Bargaining and detailed desalination studies offset by a reduction in funding for corporate and communication services due to recently announced changes in the Commission's structure in 2009-10.
9. The increase is principally due to Enterprise Bargaining.
10. The decrease relates to reduced corporate and communication services expenditure resulting from the recently announced changes in the Commission's structure in 2009-10, offset by additional detailed desalination studies.

Balance Sheet

Major variations between 2008-09 Budget and 2008-09 Estimated Actual include:

11. The increase in cash assets relates to cash held to cover outstanding payables and accrued employee benefit obligations.
12. The increase principally relates to the changes in the methodology for calculating budgeted estimates of Assets and Liabilities.
13. The reduction reflects accumulated amortisation following capitalisation of the Waterhub modular information management system during the 2008-09 financial year.

Major variations between 2008-09 Budget and 2009-10 Estimate include:

14. The increase in cash assets relates to cash held to cover outstanding payables and accrued employee benefit obligations.
15. The increase due to Enterprise Bargaining increases relating to Commission employees.

Major variations between 2008-09 Estimated Actual and the 2009-10 Estimate include:

16. The reduction reflects accumulated amortisation following capitalisation of the Waterhub modular information management system during the 2008-09 financial year.

Cash Flow Statement

Major variations between 2008-09 Budget and 2008-09 Estimated Actual include:

17. The increase relates to development on the Waterhub modular information management system.

Major variations between 2008-09 Budget and 2009-10 Estimate include:

18. The increase principally relates to additional funding for Enterprise Bargaining and detailed desalination studies offset partially by the recently announced changes in the Commissioner's structure in 2009-2010.
19. The increase reflects the return of accumulated surpluses to Consolidated Fund.

Major variations between 2008-09 Estimated Actual and the 2009-10 Estimate include:

21. The increase principally relates to additional funding for Enterprise Bargaining and detailed desalination studies offset by a reduction in funding for corporate and communication services due to recently announced changes in the Commission's structure in 2009-10.
22. The increase due to Enterprise Bargaining increases for Commission employees.
23. The reduction relates to the Waterhub modular information management system.