

PART 6

Department of Police

Summary of departmental portfolio Budgets

Page	Agency	2009–10 Estimate \$'000
1-133	Department of Police - controlled	1,705,813
	Department of Police - administered	429
1-153	Prostitution Licensing Authority	1,281

Departmental Overview

Ministerial Responsibility

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

Strategic Issues

The Queensland Police Service (QPS) is committed to providing a safe and secure environment that supports the Government's Toward Q2 ambitions, particularly *Fair—Supporting safe and caring communities*. The QPS also contributes to a range of national, state and local initiatives including Closing the Gap on Indigenous Disadvantage and the National Road Safety Strategy.

Government funding supports the delivery of policing services to the community and enables the development of new and enhanced capacities to respond to future challenges and risks including:

- increased road usage in a large state with a dispersed population
- transnational and technology-enabled crime
- climate change
- economic volatility
- over-representation of vulnerable people in the criminal justice system
- drug and alcohol usage and the impact on public safety.

Aligned to these challenges and risks, the QPS has identified the following strategic priorities for service delivery and support in 2009-10:

Police Service Delivery

- road safety
- major and organised crime
- domestic and family violence
- the interaction between police and children and youth
- the interaction between police and vulnerable people, particularly Indigenous people, homeless people, and those with a mental illness or intellectual disability
- alcohol and drug misuse and their impacts on public safety
- social order issues, including public space enjoyment
- disaster management—all phases, from planning to recovery

Service Delivery Support

- professional and ethical conduct
- corporate governance, particularly in relation to assets and major projects, including impacts of environmentally friendly policy and practices
- strategic and operational planning
- access to, and sharing of, information and intelligence through information and communications technology
- maximising the benefits of the Queensland Police Records and Information Management Exchange (QPrime)
- client-focused services and efficient business practices

- workplace health and safety
- strategic workforce planning and modelling
- streamlined selection practices
- Aboriginal and Torres Strait Islander recruitment, including through the Justice Entry Program
- infrastructure, particularly in Indigenous communities
- operational equipment.

2009-10 Highlights

The 2009-10 record Budget of \$1.706 billion will ensure the effective delivery of core policing services to the Queensland community—more police officers, new police facilities and equipment, better technology to fight crime, and improvements to road safety.

Key programs and initiatives in 2009-10 include 203 additional police positions as part of a three-year Government commitment to deliver 600 new police positions. Police strength will reach 10,600 by March 2012. The 2009-10 police growth includes a further 53 specialist traffic officers, completing the Government's commitment to provide 106 traffic officers over two years.

New funding of \$47 million will be provided for road safety initiatives including:

- engaging specialist traffic officers
- continuation of the fixed speed camera rollout
- completion of the Digital Integrated Traffic Camera System
- maintaining the current speed and red light camera operations and public education programs aimed at reducing road trauma.

Funding of \$2.3 million will establish an interim QPS telephone interception capability, allowing police to more effectively target outlaw motor cycle gangs and other forms of serious and organised crime including terrorism, drug trafficking and child sex offences.

The QPS will also commence work towards trialling new technologies such as Automatic Number Plate Recognition, mobile Livescan and in-car cameras, to ensure police are at the forefront of new technologies.

As part of the capital program, \$126 million will be spent on capital works projects over the next three years to significantly enhance QPS built assets. Key projects for 2009-10 as part of the \$57 million capital works budget include:

- expected completion of new police stations at Carseldine, Crestmead/Marsden, Reedy Creek/Robina, Sippy Downs and Springfield
- continuation of joint projects with the Department of Justice and Attorney-General to deliver replacement court facilities, police stations and watchhouses at Mareeba and Ipswich
- continuation of a replacement police station and watchhouse at Murgon, a replacement station at Holland Park, and the refurbishment of Beenleigh Police Station
- initiating development of a replacement police station at Lockhart River.

During the year, planning will also commence for:

- a new police station at Badu Island, a new Oxley District forensic facility and a new Townsville District police facility
- the refurbishment of Richlands Watchhouse and upgrades to the Townsville Police Academy, Burleigh Heads Police Complex, Goodna Station, Calliope Station and facilities on the Mackay Police Reserve.

In addition, \$18 million will be spent in 2009-10 as part of the Government's commitment to build a new Queensland Police Academy at Wacol. This funding will include the delivery of a driver training facility.

The QPS will lead the Government's efforts to prevent crime, including investigating the delivery of microdot technology to households allowing Queenslanders to mark their personal property and safeguard against theft.

The Service will work with other agencies to address traffic congestion in the South East and improve accident response and clearance times. The Government is providing \$1.2 million for 24-7 police officer coordination in the Metropolitan Traffic Management Centre and throughout the traffic incident response system.

2008–09 Achievements

In 2008-09, the QPS had a total budget of \$1.572 billion.

Police numbers are increasing each year and by October 2009 there will be over 10,100 sworn officers. The QPS' civilianisation strategy has complemented this by releasing officers for frontline policing to the community. Since 2005-06, the QPS has employed over 300 staff members under the civilianisation program in roles such as watchhouse, counter and administrative support.

The QPS road safety management strategy included the purchase of speed management assets (\$2.1 million); provision of an additional 72,000 officer hours of on-road enforcement activity (\$6.9 million); continuation of the camera detection offence program (\$13.9 million); and establishment of 53 new specialist traffic officer positions with accompanying equipment (\$3.5 million). The Queensland road toll in 2008 was 7.66 deaths per 100,000 population, which is 11% lower than the previous financial year and was the lowest recorded in Queensland for a calendar year since records began in July 1952.

To support public safety, the second of four mobile police facilities (\$0.22 million each) was delivered; funding of \$5 million was provided for the initial purchase and rollout of 1,240 Tasers state-wide; and \$6.4 million was provided to strengthen water police capabilities including finalising the \$10.8 million purchase of three new command and patrol catamarans for Brisbane, Cairns and Yeppoon.

The Government provided \$84.8 million for key information and communications technology projects including the:

- Queensland Police Records and Information Management Exchange (QPrime) project
- Integrated Justice Information Strategy
- Public Safety Network
- Legacy Migration Program.

Capital works funding of \$142 million supported a number of important infrastructure projects to address population growth and improve service delivery including:

- new or replacement police stations at Burpengary, Charleville, Fortitude Valley, Mango Hill/North Lakes, Port Douglas, Surfers Paradise, Whitsunday, Woodford and Yeppoon
- the refurbishment or upgrade of police stations at Bribie Island, Mount Morgan, Mudgeeraba, Smithfield, The Gap and Thursday Island.

Queensland's Task Force Argos continued to lead the way in the fight against organised paedophilia, institutionalised abuse, child exploitation and computer facilitated child exploitation. Their operations saw the arrest of 60 offenders on 254 charges and the seizure of 330,000 images of child abuse.

Departmental Outputs

The Queensland Police Service Strategic Plan contains four outputs that describe the delivery of core policing services and principally link to the Queensland Government's Q2 ambition Fair—Supporting safe and caring communities.

Community Safety and Engagement

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

Crime Management

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

Traffic Policing

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

Professional Standards and Ethical Practice

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

Staffing¹

Queensland Police Service	Notes	2008–09 Budget	2008–09 Est. Actual	2009–10 Estimate
OUTPUTS	2,3,4			
Community Safety and Engagement		4,239	4,330	4,386
Crime Management		4,513	4,610	4,668
Traffic Policing		2,735	2,794	2,829
Professional Standards and Ethical Practice		2,188	2,235	2,263
Total outputs		13,675	13,969	14,146
Total	5	13,675	13,969	14,146

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. The allocation of resources is guided by the results of the QPS' activity based costing methodology, the *State-wide Activity Survey*.
3. The allocation of staffing across outputs does not reflect the allocation of resources directed towards significant operational activities including public safety events, major criminal investigations and road safety campaigns conducted outside the *State-wide Activity Survey* period. For example, significant policing resources are deployed during the Christmas and Easter periods to enhance road safety, and these resources are not captured by the *State-wide Activity Survey*.
4. Corporate FTEs are allocated across the outputs to which they relate.
5. While the above table describes FTEs, it should be noted that for 2008-09, the estimated actual number of staff is 14,362 including 10,162 police officers.

2009–10 Output Summary¹

Output	Total cost \$'000	Sources of revenue			
		State contribution \$'000	User charges \$'000	C'wealth revenue \$'000	Other revenue \$'000
Community Safety and Engagement	537,629	514,876	13,274	..	9,479
Crime Management	524,320	501,827	13,163	..	9,330
Traffic Policing	342,476	329,309	7,618	..	5,549
Professional Standards and Ethical Practice	301,388	293,138	3,975	..	4,275
Total	1,705,813	1,639,150	38,030	..	28,633

Notes:

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

Administered Items

Description

Three programs were administered through the QPS during the 2008-09 financial year:

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

Recent Achievements

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

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

The 2008-09 allocation of \$0.42 million for the operation of the Prostitution Licensing Authority allowed for the continuing operating and legal costs of the Authority.

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

Departmental Statements

Performance Statement

Queensland Police Service	Notes	2008–09 Target/Est.	2008–09 Est. Actual	2009–10 Target/Est.
Output: Community Safety and Engagement				
Percentage of resources allocated to this output	1	31%	31%	32%
Rate of unreported offences	2			
Break and Enter		25%-35%	34.3%	25%-35%
Attempted Break and Enter		65%-75%	68.2%	65%-75%
Motor Vehicle theft		10%-20%	16.9%	10%-20%
Assault/attempted assault		65%-75%	67.6%	65%-75%
Level of community satisfaction with police generally	3	70%-80%	68.7%	70%-80%
Perceived level of personal safety and property security				
a) Persons feeling safe in the following situation (safe and very safe)	3			
- home alone		85%-95%	89.8%	85%-95%
- walking/jogging locally		70%-80%	75.5%	70%-80%
- travelling on public transport		45%-55%	51.5%	45%-55%
b) Public perceptions about problems in the neighbourhood (major problem or somewhat a problem)	3,4			
- housebreaking		55%-65%	53.8%	55%-65%
- motor vehicle theft		35%-45%	37.8%	35%-45%
- graffiti or other vandalism		35%-45%	46.6%	35%-45%
Satisfaction with police support for community programs	3	70%-80%	67.5%	70%-80%
Percentage of persons concerned about being a victim of	3			
- Physical Assault		40%-50%	44.3%	40%-50%
- Sexual Assault		20%-30%	24.5%	20%-30%
- Housebreaking		55%-65%	56.8%	55%-65%
- Motor vehicle theft		40%-50%	44.5%	40%-50%
Good order offences detected	5,6,7			
- Number detected		47,000-51,000	51,685	48,000-54,000
- Rate detected		1,100-1,200	1,210	1,150-1,250
Level of community satisfaction with police dealing with public order problems	3	50%-60%	55.2%	50%-60%
State contribution (\$000)	1	472,870	468,879	514,876
Other revenue (\$000)		14,435	21,608	22,753
Total cost (\$000)		487,305	490,487	537,629

Queensland Police Service	Notes	2008–09 Target/Est.	2008–09 Est. Actual	2009–10 Target/Est.
Output: Crime Management				
Percentage of resources allocated to this output	1	32%	32%	31%
Number of personal safety offences reported	5,8,9,10			
Homicide		150-180	173	150-180
Assault		18,000-21,000	19,875	18,000-21,000
Sexual Assault		6,000-7,500	5,697	5,000-6,500
Robbery		1,700-2,000	1,803	1,700-2,000
Total personal safety		30,000-34,000	31,291	30,000-34,000
Number of personal safety offences cleared	5,8,11			
Homicide		110-190	180	110-190
Assault		14,000-18,000	16,663	14,000-18,000
Sexual Assault		5,500-6,500	5,487	5,000-6,500
Robbery		900-1,150	1,103	900-1,150
Total personal safety		23,000-28,000	25,917	23,000-28,000
Number of personal safety offences reported and cleared in the period	5,8,12			
Homicide		130-175	147	130-175
Assault		13,000-15,000	14,472	13,000-15,000
Sexual Assault		4,000-5,500	3,955	3,500-5,000
Robbery		800-900	927	800-1000
Total personal safety		20,000-24,000	21,619	20,000-24,000
Number of property security offences reported	5,13,			
Unlawful entry		45,000-55,000	44,784	40,000-50,000
Other property damage		40,000-50,000	43,372	40,000-50,000
Motor vehicle theft	14	9,000-12,000	9,645	8,000-11,000
Other theft (excl unlawful entry)		75,000-85,000	81,615	75,000-85,000
Total property security		190,000-230,000	203,680	190,000-230,000
Number of property security offences cleared	5,11,13,			
Unlawful entry		10,500-13,000	11,119	10,500-13,000
Other property damage		13,000-16,000	12,984	13,000-16,000
Motor vehicle theft	14	3,000-4,000	3,124	3,000-4,000
Other theft (excl unlawful entry)		22,000-27,000	24,548	22,000-27,000
Total property security		70,000-85,000	70,695	70,000-85,000
Number of property security offences reported and cleared in the period	5,13,			
Unlawful entry		8,000-10,000	8,549	8,000-10,000
Other property damage		11,500-13,500	11,373	11,500-13,500
Motor vehicle theft	14	2,500-3,300	2,535	2,500-3,300
Other theft (excl unlawful entry)		17,500-23,500	21,604	17,500-23,500
Total property security		58,000-65,000	59,803	58,000-65,000
Public satisfaction with initial police response	15	80%-90%	88.6%	80%-90%
Public satisfaction with police response from specialist officers		85%-95%	88.5%	85%-95%
Satisfaction of members of the public who had contact with police in the last twelve months	3	75%-85%	80.9%	75%-85%
State contribution (\$000)	1	488,124	484,005	501,827
Other revenue (\$000)		14,901	22,305	22,493
Total cost (\$000)		503,025	506,310	524,320

Queensland Police Service	Notes	2008–09 Target/Est.	2008–09 Est. Actual	2009–10 Target/Est.
Output: Traffic Policing				
Percentage of resources allocated to this output	1	20%	20%	20%
Number of vehicles monitored per offences for:	16,17,18			
Speed Cameras		100-130:1	93:1	80-110:1
Red Light Cameras		1,600-1,900:1	2105:1	2,000-2,300
Number and rate (per 100,000) of road crash fatalities by crash causal factor	16,19,20			
Total	21	300-350	328 (7.66)	6.7 - 7.8
Speed			88 (2.05)	
Alcohol			126 (2.94)	
Fatigue			44 (1.02)	
Seatbelt			36 (0.84)	
Pedestrians			30 (0.70)	
Number and rate (per 100,000) of reportable crashes by crash causal factor				
Total	21	21,000-24,000	Unavailable	21,000-24,000
Speed				
Alcohol				
Fatigue				
Pedestrians				
Number and rate (per 100,000) of persons hospitalised following a crash	21	5,500-6,500	Unavailable	5,500-6,500
State contribution (\$000)	1	305,078	302,504	329,309
Other revenue (\$000)		9,313	13,940	13,167
Total cost (\$000)		314,391	316,444	342,476
Output: Professional Standards and Ethical Practice				
Percentage of resources allocated to this output	1	17%	17%	17%
Hours directed towards in-service training	22,23	2.2-2.6 million	1,602,230	1.5 – 2.0 million
Number, rate (per 1,000 officers) and percentage change in rate of complaints against police	24	2,100-2,400	2,330 (236.96) 0.45	2,100-2,400
Public perception of police professionalism and image:	3,25			
- Police perform job professionally		75%-85%	79.6%	75%-85%
- Police treat people fairly and equally		60%-70%	67%	60%-70%
- Most police are honest		75%-85%	78.2%	75%-85%
- Have confidence in police		75%-85%	82.3%	75%-85%
Meeting Government targets on police numbers	26	10,128	10,162	10,243
State contribution (\$000)		259,315	257,127	293,138
Other revenue (\$000)		7,916	11,849	8,250
Total cost (\$000)		267,231	268,976	301,388

Notes:

1. The allocation of resources is guided by the results of the QPS' activity based costing methodology, the *State-wide Activity Survey*.
2. Derived from the *Australian Bureau of Statistics Crime and Safety Survey 2005*. The next survey will be released in 2009-10.
3. Derived from the *National Survey of Community Satisfaction with Policing* January 2008 to December 2008.
4. Even though there has been an increase in people's perception about problems in the neighbourhood, this is not always reflected in reported crime rates. For example, reported rates for motor vehicle theft and housebreaking declined in the 2008-09 period.
5. Data for the full 2008-09 financial year are not available. Data are based on an estimation of July 2008-March 2009 statistics. These figures will vary from statistics calculated using mid-year data.
6. Good order offences include offences relating to public nuisance, obstructing police, fare evasion and other offences against good order. The rate of offences refers to the number of offences per 100,000 people.
7. An increase in good order offences generally indicates an increase in policing activity around public spaces and major events, and a range of related proactive policing activities often centred upon liquor related enforcement. Increases in police numbers in recent years, along with legislative enhancements, have contributed to this outcome.
8. The offence categories reported separately are those classified as 'violent' crimes and are the most significant personal safety offence categories in terms of their impact on the community. The 'total personal safety' offences figure also includes the offence categories of extortion, kidnapping, abduction and deprivation of liberty and other offences against the person. Homicide includes the offence categories of murder, attempted murder, conspiracy to murder, manslaughter and driving causing death.
9. The estimate based on nine months data is higher than the estimate for the previous period. The 2008-09 estimate for 'murder' is 53 and 120 for the other homicide offence categories. This measure experiences some variation from year to year.
10. The decrease in sexual offences reported consists of a combination of a decrease in historical cases reported and an increase in sexual assault offences reported this period.
11. The number of offences cleared relates to the total number of offences cleared in the period regardless of when they were reported.
12. The number of offences reported and cleared within the period relates to offences both reported and cleared in 2008-09.
13. The offence categories reported separately are classified as high volume property security offences. The total property security offences figures also include the offence categories of arson, fraud and handling stolen goods. The offence category 'Other Theft' (excluding unlawful entry) was previously known as stealing.
14. This offence category relates to Unlawful Use of a Motor Vehicle.
15. Derived from the *Queensland Police Service Crime Victims Survey 2008*.
16. Data for the full 2008-09 financial year are not available. Rather, reported traffic data are provided for the 2008 calendar year to allow for seasonal variation in the data and to ensure the data are comparable with other annual periods.
17. The target/estimate for Speed Camera Detections (mobile camera) was set under a different speed camera regime. The variance in rate of detection of offences by mobile speed cameras can be attributed to a range of changes in deployment strategies both prior to and during this period.
18. There was an increase in the number of vehicles monitored per offence detected for red light cameras in the 2008 reporting period. Factors contributing to the increase were a refresh of infrastructure at the existing Red Light Camera program sites during 2008 and some sites were affected by road and building infrastructure.
19. Crash data extracted on 14 April 2009 should be viewed as preliminary and subject to change. Alcohol related crash data may take up to 12 months to be finalised.
20. A fatality may be related to multiple causal factors or causal factors not included in this report. As a result, the total reported causal factors do not equal the number of fatalities (328). In accordance with Council of Australian Government requirements, the QPS now reports road fatalities in terms of the rate per 100,000 population. The target/estimate rate for 2009-10 is equal to the previous numeric target (300-350).
21. Delays in crash data processing associated with the implementation of QPRIME and issues associated with data transfer being experienced by Queensland Transport have impacted on the reliability of this data. In the interim, a decision has been made not to publish this data.
22. Data for the full 2008-09 financial year are not available. Data are based on an estimation of July 2008 – December 2008 statistics.
23. QPRIME training requirements reduced significantly during 2008-09 compared to the previous period, which reduced the overall number of hours from what was originally estimated.
24. Data for the full 2008-09 financial year are not available. Rather, reported complaints data are provided for the 2008 calendar year to allow for seasonal variation in the data and to ensure the data are comparable with other annual periods.
25. The small decrease in public perceptions of police professionalism and image from last year is not statistically significant—survey data is subject to normal variation from year to year.
26. These figures are affected by separations and the number of officers inducted into the Service. The target of 10243 as at 23 March 2009 does not include 99 police officers who are employed by the Australian Federal Police under the Airport Uniform Policing program.

Income Statement

Department of Police	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
Income				
Output revenue	1, 7, 14	1,525,387	1,512,515	1,639,150
User charges	2, 8, 15	28,019	41,139	38,030
Grants and other contributions	3, 9	14,229	23,296	23,366
Other revenue		2,317	3,267	3,267
Gains on sale/revaluation of property, plant and equipment and investments		2,000	2,000	2,000
Total income		1,571,952	1,582,217	1,705,813
Expenses				
Employee expenses	4, 10, 16	1,185,958	1,193,075	1,276,619
Supplies and services	11, 17	289,986	288,398	317,341
Grants and subsidies		3,082	3,082	3,082
Depreciation and amortisation	5, 12, 18	76,825	71,561	81,889
Finance/borrowing costs		..	..	..
Other expenses	6, 13	14,101	24,101	24,882
Losses on sale/revaluation of property, plant and equipment and investments		2,000	2,000	2,000
Total expenses		1,571,952	1,582,217	1,705,813
OPERATING SURPLUS/(DEFICIT)		..	..	..

Statement of Changes in Equity

Department of Police	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	20, 23	99,566	99,566	128,842
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		99,566	99,566	128,842
Surplus/(deficit) for the period		..	..	..
Total recognised income and expense for the period		99,566	99,566	128,842
Equity injection/(withdrawal)	19, 21, 24	181,637	165,200	120,869
Equity adjustments (MoG transfers)	22, 25	257	257	..
Total movement in equity for period		281,460	265,023	249,711

Balance Sheet

Department of Police	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
CURRENT ASSETS				
Cash assets	26,32	95,250	26,399	25,699
Receivables	27,33	18,212	23,734	23,734
Other financial assets		..	...	..
Inventories		3,195	3,181	3,181
Other		6,264	7,154	7,154
Non-financial assets held for sale	28,34	4,406	658	658
Total current assets		127,327	61,126	60,426
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	29,35,39	1,920,328	1,885,651	2,106,453
Intangibles	36,40	52,016	46,592	76,201
Other		..	..	..
Total non-current assets		1,972,344	1,932,243	2,182,654
TOTAL ASSETS		2,099,671	1,993,369	2,243,080
CURRENT LIABILITIES				
Payables		51,175	55,321	55,321
Employee benefit obligations	30,37	118,137	34,565	34,565
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		8,043	10,201	10,201
Total current liabilities		177,355	100,087	100,087
NON-CURRENT LIABILITIES				
Payables		..	..	..
Employee benefits obligations	30,37	6,066	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		6,066	..	..
TOTAL LIABILITIES		183,421	100,087	100,087
NET ASSETS/(LIABILITIES)		1,916,250	1,893,282	2,142,993
EQUITY				
Capital/contributed equity	31,38,41	664,011	631,724	752,593
Retained surplus/(accumulated deficit)		379,331	381,901	381,901
Reserves:				
- Asset revaluation reserve	42	872,908	879,657	1,008,499
- Other (specify)		..	..	..
TOTAL EQUITY		1,916,250	1,893,282	2,142,993

Cash Flow Statement

Department of Police	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Output receipts	43,51,59	1,525,387	1,510,881	1,639,150
User charges	52,60	28,019	31,139	38,030
Grants and other contributions	44,61	2,229	(7,704)	2,366
Other		2,317	3,267	3,267
Outflows:				
Employee costs	45,53,62	(1,185,958)	(1,193,075)	(1,276,619)
Supplies and services	54,63	(289,986)	(286,359)	(317,341)
Grants and subsidies		(3,082)	(3,082)	(3,082)
Borrowing costs		..	..	..
Other	46,64	(2,101)	(92,227)	(3,882)
Net cash provided by/(used in) operating activities		76,825	(37,160)	81,889
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment	47,55	24,500	20,000	20,000
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	48,56,65	(283,529)	(257,328)	(223,458)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		(259,029)	(237,328)	(203,458)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	49,57,66	203,363	218,445	179,547
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	50,58,67	(21,726)	(53,245)	(58,678)
Net cash provided by/(used in) financing activities		181,637	165,200	120,869
Net increase/(decrease) in cash held		(567)	(109,288)	(700)
Cash at the beginning of financial year		95,817	135,687	26,399
Cash transfers from restructure		..	..	..
Cash at the end of financial year		95,250	26,399	25,699

Administered Income Statement

Department of Police	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
Revenues				
Commonwealth grants	
Taxes, fees and fines		4,035	4,103	4,122
Royalties, property income and other territorial Revenue	
Interest	
Administered revenue		420	420	429
Other		440	440	440
Total revenues		4,895	4,963	4,991
Expenses				
Supplies and services	
Depreciation and amortisation	
Grants and subsidies		420	420	429
Benefit payments	
Borrowing costs	
Other	
Total expenses		420	420	429
Net surplus or deficit before transfers to Government		4,475	4,543	4,562
Transfers of administered revenue to Government		4,475	4,543	4,562
OPERATING SURPLUS/(DEFICIT)	

Administered Balance Sheet

Department of Police	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
CURRENT ASSETS				
Cash assets		2,649	2,408	2,408
Receivables		5	392	392
Inventories	
Other	
Non-financial assets held for sale	
Total current assets		2,654	2,800	2,800
NON-CURRENT ASSETS				
Receivables	
Other financial assets	
Property, plant and equipment	
Intangibles	
Other	
Total non-current assets	
TOTAL ADMINISTERED ASSETS		2,654	2,800	2,800
CURRENT LIABILITIES				
Payables		201	5	5
Transfers to Government payable	
Interest-bearing liabilities	
Other		2,453	2,795	2,795
Total current liabilities		2,654	2,800	2,800
NON-CURRENT LIABILITIES				
Payables	
Interest-bearing liabilities	
Other	
Total non-current liabilities	
TOTAL ADMINISTERED LIABILITIES		2,654	2,800	2,800
ADMINISTERED NET ASSETS/(LIABILITIES)	
EQUITY				
Capital/Contributed equity	
Retained surplus/(Accumulated deficit)	
Reserves:	
- Asset revaluation reserve	
- Other (specify)	
TOTAL ADMINISTERED EQUITY	

Administered Cash Flow Statement

Department of Police	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Administered item receipts		420	420	429
Grants and other contributions	
Taxes, fees and fines		4,035	4,103	4,122
Royalties, property income and other territorial revenues	
Other		440	434	440
Outflows:				
Transfers to Government		(4,475)	(4,593)	(4,562)
Grants and subsidies		(420)	(420)	(429)
Supplies and services	
Borrowing costs	
Other		..	48	..
Net cash provided by/(used in) operating activities		..	(8)	..
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		..	(8)	..
Administered cash at beginning of financial year		2,649	2,416	2,408
Cash transfers from restructure	
Administered cash at end of financial year		2,649	2,408	2,408

Explanation of Variances in the Financial Statements

Income Statement

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

1. Output receipts variance is mainly due to increased funding for the Digital Integrated Traffic Camera System and for road safety initiatives offset by funding transfers to Queensland Health for DNA testing and to Public Safety Network Management Centre cluster agencies under user charge arrangements, and reduced funding for depreciation due to Public Safety Network asset purchase delays.
2. User charges variance is mainly due to increased collections for CrimTrac fees and charges for provision of services to the Public Safety Network Management Centre cluster agencies.
3. Grants and other contributions variance is mainly due to the recognition of increased value of free scientific services received from Queensland Health and free rent for police shopfronts.
4. Employee expenses variance is mainly due to new funding associated with Government's commitment to road safety initiatives.
5. Depreciation variance is mainly due to delays in the timing of asset purchases for the Public Safety Network implementation.
6. Other Expenses variation is mainly due to recognition of the increased value of scientific services received from Queensland Health and rent for police shopfronts.

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

7. Output revenue variance is due to additional funding for enterprise bargaining, police growth, Policelink and road safety initiatives offset by efficiency savings.
8. User charges variance is mainly due to charges for provision of services to the Public Safety Network Management Centre cluster agencies.
9. Grants and other contributions variance is mainly due to the recognition of increased value of free scientific services received from Queensland Health and free rent for police shopfronts.
10. Employee expenses variance is mainly due to funding for enterprise bargaining, growth in police numbers, Policelink and road safety initiatives.
11. Supplies and services variance is mainly due to funding for road safety initiatives, resourcing police growth and general cost escalations.
12. Depreciation and amortisation variance is mainly due to increased valuation for buildings and dwellings, asset purchases associated with road safety initiatives and information and communication technology programs.
13. Other expenses variation is mainly due to recognition of the increased value of scientific services received from Queensland Health and rent for police shopfronts.

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

14. Output revenue variance is due to additional funding for enterprise bargaining, police growth, Policelink and road safety initiatives offset by efficiency savings.
15. User charges variation is mainly due to expected impacts on fee for service as a result of the downturn in the mining industry.
16. Employee expenses variance is mainly due to funding for enterprise bargaining, growth in police numbers, Policelink and road safety initiatives.
17. Supplies and services variance is mainly due to funding for road safety initiatives, resourcing police growth and general cost escalations.
18. Depreciation and amortisation variance is mainly due to increased valuation for buildings and dwellings and asset purchases associated with road safety initiatives and information and communications technology programs.

Statement of Changes in Equity

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

19. Equity injection/(withdrawal) variation is mainly due to increased funding for the Digital Integrated Traffic Camera System, and road safety initiatives, offset by deferrals from 2008-09 to 2009-10 associated with revised completion dates for general capital works, Public Safety Network project, Digital Integrated Traffic Camera System and Legacy Migration program.

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

20. Increase/(decrease) in asset revaluation reserve variation is due to the net effects of the revaluation of land, buildings and dwellings.
21. Equity injections/(withdrawal) variation is mainly due to increased funding for the Digital Integrated Traffic Camera System, road safety initiatives, capital works and operational equipment and an Australian Government grant received for police housing in Indigenous communities, offset by the reduction associated with completion of programs such as the accelerated completion of new police stations and deferrals from 2008-09 to 2009-10 associated with revised completion dates for general capital works, Public Safety Network project and Legacy Migration program.
22. Equity adjustments (MOG transfers) variation is due to a one-off adjustment associated with the transition of the Security Planning and Coordination Unit from the Department of the Premier and Cabinet.

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

23. Increase/(decrease) in asset revaluation reserve variation is due to the net effects of the revaluation of land, buildings and dwellings.
24. Equity injections/(withdrawal) variation is mainly due to increased funding for the Digital Integrated Traffic Camera System, road safety initiatives, capital works and operational equipment and an Australian Government grant received for police housing in Indigenous communities, offset by the reduction associated with completion of programs such as the accelerated completion of new police stations and deferrals from 2008-09 to 2009-10 associated with revised completion dates for general capital works, Public Safety Network project and Legacy Migration program.
25. Equity adjustments (MOG transfers) variation is due to a one-off adjustment associated with the transition of the Security Planning and Coordination Unit from the Department of the Premier and Cabinet.

Balance Sheet

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

26. Cash assets variation is mainly due to the adoption of a centralised scheme for annual leave entitlements from 1 July 2008. 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.
27. Receivables variation is mainly due to increased Long Service Leave claim receivables and other trade debtors.
28. Non-financial assets held for sale variation due to the decrease in the value of motor vehicles expected to be held for sale at 30 June 2009.
29. Property, plant and equipment variation is mainly due to increased funding for the Digital Integrated Traffic Camera System and road safety initiatives, offset by the reduction associated with completion of programs such as the accelerated completion of new police stations and deferrals from 2008-09 to 2009-10 associated with revised completion dates for general capital works, Public Safety Network project and Legacy Migration program.
30. Employee benefit obligations variation is mainly due to the adoption of the ALCS from 1 July 2008.
31. Capital/contributed equity variation mainly due to increased funding for the Digital Integrated Traffic Camera System and road safety initiatives, offset by the reduction associated with completion of programs such as the accelerated completion of new police stations and deferrals from 2008-09 to 2009-10 associated with revised completion dates for general capital works, Public Safety Network project and Legacy Migration program.

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

32. Cash assets variation is mainly due to the adoption of a centralised scheme for annual leave entitlements from 1 July 2008. The decrease in employee benefit obligations largely reflects the transfer of annual leave liabilities to the 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.
33. Receivables variation is mainly due to increased LSL claims receivables and other trade debtors.
34. Non-financial assets held for sale variation is due to the decrease in the value of motor vehicles expected to be held for sale at 30 June 2010.
35. Property, plant and equipment variation is mainly due to the revaluation of land, buildings and dwellings, increased funding for the Digital Integrated Traffic Camera System, road safety initiatives, capital works and operational equipment and an Australian Government grant received for police housing in Indigenous communities, offset by the reduction associated with completion of programs such as the accelerated completion of new police stations and deferrals from 2008-09 to 2009-10 associated with revised completion dates for general capital works, Public Safety Network project and Legacy Migration program.
36. Intangibles variation is mainly due to new funding provided for the Digital Integrated Traffic Camera System.
37. Employee benefit obligations variation is mainly due to the adoption of the ALCS from 1 July 2008.
38. Capital/contributed equity variation is mainly due to increased funding for the Digital Integrated Traffic Camera System, road safety initiatives, capital works and operational equipment and an Australian Government grant received for police housing in Indigenous communities, offset by the reduction associated with completion of programs such as the accelerated completion of new police stations and deferrals from 2008-09 to 2009-10 associated with revised completion dates for general capital works, Public Safety Network project and Legacy Migration program.

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

39. Property, plant and equipment variation mainly due to the revaluation of land, buildings and dwellings, increased funding for the Digital Integrated Traffic Camera System, road safety initiatives, capital works and operational equipment and an Australian Government grant received for police housing in Indigenous communities, offset by the reduction associated with completion of programs such as the accelerated completion of new police stations and deferrals from 2008-09 to 2009-10 associated with revised completion dates for general capital works, Public Safety Network project and Legacy Migration program.
40. Intangibles variation is mainly due to new funding provided for the Digital Integrated Traffic Camera System.
41. Capital/contributed equity variation is mainly due to increased funding for the Digital Integrated Traffic Camera System, road safety initiatives, capital works and operational equipment and an Australian Government grant received for police housing in Indigenous communities, offset by the reduction associated with completion of programs such as the accelerated completion of new police stations and deferrals from 2008-09 to 2009-10 associated with revised completion dates for general capital works, Public Safety Network project and Legacy Migration program.
42. Assets revaluations reserve variation is mainly due to the estimated effects of the revaluation of land, buildings and dwellings.

Cash Flow Statement

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

43. Output receipts variance is mainly due to increased funding for the Digital Integrated Traffic Camera System and for road safety initiatives offset by funding transfers to Queensland Health for DNA testing and to Public Safety Network Management Centre cluster agencies under user charge arrangements, and reduced funding for depreciation due to Public Safety Network asset purchase delays.
44. Grants and other contribution variation is mainly due to an Australian Government grant for housing in Indigenous communities which was initially received in 2007-08.
45. Employee costs variance is mainly due to new funding associated with Government's commitment to road safety initiatives.
46. Other variation is mainly due to the adoption of the ALCS from 1 July 2008.
47. Sales of property, plant and equipment variation is mainly due to the reduction in sales revenues for motor vehicles.

48. Payments for property, plant and equipment variation is mainly due to increased funding for the Digital Integrated Traffic Camera System and road safety initiatives, offset by the reduction associated with completion of programs such as the accelerated completion of new police stations and deferrals from 2008-09 to 2009-10 associated with revised completion dates for general capital works, Public Safety Network project and Legacy Migration program.
49. Equity injections variation is mainly due to increased funding for the Digital Integrated Traffic Camera System and road safety initiatives, offset by the reduction associated with completion of programs such as the accelerated completion of new police stations and deferrals from 2008-09 to 2009-10 associated with revised completion dates for general capital works, Public Safety Network project and Legacy Migration program and a technical correction against equity withdrawal.
50. Equity withdrawals variation is due to a technical correction against equity injections.

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

51. Output receipts variance is due to additional funding for enterprise bargaining, police growth, Policelink and road safety initiatives offset by efficiency savings.
52. User charges variance is mainly due to charges for provision of services to the Public Safety Network Management Centre cluster agencies.
53. Employee costs variance is mainly due to increased funding for enterprise bargaining, growth in police numbers, Policelink and road safety initiatives.
54. Supplies and services variance is mainly due to increased funding for road safety initiatives, resourcing police growth and general cost escalations.
55. Sales of property, plant and equipment variation is mainly due to the reduction in sales revenues for motor vehicles.
56. Payment for property, plant and equipment variation is mainly due to increased funding for the Digital Integrated Traffic Camera System, road safety initiatives, capital works and operational equipment and an Australian Government grant received for police housing in Indigenous communities, offset by the reduction associated with completion of programs such as the accelerated completion of new police stations and deferrals from 2008-09 to 2009-10 associated with revised completion dates for general capital works, Public Safety Network project and Legacy Migration program.
57. Equity injections variation is mainly due to increased funding for the Digital Integrated Traffic Camera System, road safety initiatives, capital works and operational equipment and an Australian Government grant received for police housing in Indigenous communities, offset by the reduction associated with completion of programs such as the accelerated completion of new police stations and deferrals from 2008-09 to 2009-10 associated with revised completion dates for general capital works, Public Safety Network project and Legacy Migration program and a technical correction against equity withdrawal.
58. Equity withdrawals variation due to a technical correction against equity injection.

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

59. Output receipts variance is due to additional funding for enterprise bargaining, police growth, Policelink and road safety initiatives offset by efficiency savings.
60. User charges variation is mainly due to the timing of cash received for unearned user charges.
61. Grants and other contribution variation is mainly due to the expending of Australian Government grant funding for housing in remote Indigenous communities which was initially received in 2007-08.
62. Employee costs variance is mainly due to funding for enterprise bargaining, growth in police numbers, Policelink and road safety initiatives.
63. Supplies and services variance is mainly due to funding for road safety initiatives, resourcing police growth and general cost escalations.
64. Other variation is mainly due to the adoption of ALCS from 1 July 2008.
65. Payment for property, plant and equipment variation is mainly due to increased funding for the Digital Integrated Traffic Camera System, road safety initiatives, capital works and operational equipment and an Australian Government grant received for police housing in Indigenous communities, offset by the reduction associated with completion of programs such as the accelerated completion of new police stations and deferrals from 2008-09 to 2009-10 associated with revised completion dates for general capital works, Public Safety Network project and Legacy Migration program.
66. Equity injections variation is mainly due to increased funding for the Digital Integrated Traffic Camera System, road safety initiatives, capital works and operational equipment and an Australian Government grant received for police housing in Indigenous communities, offset by the reduction associated with completion of programs such as the accelerated completion of new police stations and deferrals from 2008-09 to 2009-10 associated with revised completion dates for general capital works, Public Safety Network project and Legacy Migration program.
67. Equity withdrawals variation is associated with increased depreciation expense following delays in Public Safety Network asset purchases.

Statutory Body

Prostitution Licensing Authority

Overview

The Prostitution Licensing Authority (PLA) was established under the *Prostitution Act 1999* (the Act) and commenced operation on 1 July 2000. It has an organisational structure that includes 10.5 full-time-equivalent employees.

The PLA is responsible for ensuring that only fit and proper persons are granted a brothel licence or an approved managers' certificate, regulating the licensed brothel industry, monitoring the provision of prostitution through licensed brothels, receiving complaints about prostitution, and regulating and monitoring prostitution advertising. The strategic priorities of the Authority are to ensure an effective and efficient brothel licensing regime, to ensure that licensed brothels operate in accordance with community expectations and legislative requirements, to promote the health and safety of sex workers and clients, to limit the impact of prostitution on the community, and to combat the involvement of organised crime and the incidence of official corruption in the sex industry.

The PLA contributes to a safer and more secure Queensland. It administers a regime that is effective in securing the health and safety of sex workers and clients. The PLA conducts regular scheduled and unannounced compliance audits and inspections at brothels to monitor compliance with statutory and regulatory obligations. The Authority, in conjunction with the Queensland Police Service, conducts intensive and wide-ranging probity checks of brothel licence applicants to ensure that they are a suitable person to operate a licensed brothel.

Review of Performance

Recent achievements

During 2008-09 the PLA:

- continued to achieve a high level of compliance by licensed brothels
- monitored the impact of the *Advertising Guidelines*, finding that almost all advertisements for prostitution could be self-assessed, with no impact on compliance
- reviewed best practice standards for the operation of brothels and updated the standard set of brothel licence conditions
- commissioned research on the regulation of the sex industry
- contributed to the Government's consideration of the recommendations in the Crime and Misconduct Commission (CMC) report, *Regulating Outcall Prostitution*, and made two submissions to the Independent Review of Government Boards, Committees and Statutory Authorities.

Future developments

During 2009-10 the PLA will:

- engage with the Government on ways to enhance the regulation of prostitution
- implement any changes to the Act or the *Advertising Guidelines* arising from the Government's response to the CMC report, *Regulating Outcall Prostitution*
- implement a new resource for licence applicants to assist them to better understand their obligations and establish high standard brothel operational systems
- continue to educate the community and stakeholders about issues to do with prostitution.

Statements

Performance Statement

Prostitution Licensing Authority	Notes	2008-09 Target/Est.	2008-09 Est. Actual	2009-10 Target/Est.
Number of licensed brothel premises operating	1	24	25	26
Number of brothel and certificate applications investigated	2	195	155	160
Number of brothel and certificate applications decided	2	206	107	110
Percentage of complaints resolved	3	>91%	94%	95%
Number of compliance activities conducted		205	202	210
Number of licensed brothels implementing best practice standards	4	24	25	26
Number of brothels requiring three monthly health certificates	5	24	25	26
Satisfaction of applicants with PLA client service		85%	95%	95%
Satisfaction of the Independent Assessor with support provided by the PLA		100%	100%	100%
Applications processed within PLA and forwarded to QPS within 20 business days		95%	95%	95%
Complaints to the PLA resolved within 20 business days	6	95%	94%	95%
State contribution (\$'000)		590	590	429
Other revenue(\$'000)		799	839	852
Total cost (\$'000)		1,389	1,390	1,281

Note/s:

1. In 2008-09, a brothel licence was granted to one individual in respect of a brothel which is not yet operational.
2. Includes new applications, renewals, and annual returns. The variance between the 2008-09 Target/Est. and the 2008-09 Est. Actual is mainly due to the reduction in approved managers' certificate applications. The reasons for this are three-fold. Firstly, the move from one-year certificates to three-year certificates requires certificate holders to lodge annual return forms every 12 months. Failure to lodge on time means that some forms are not receipted in the relevant year. Secondly, a significant increase in fees (doubled to \$800) has resulted in less applications being made for certificates. Thirdly, delays in obtaining development approval for proposed (new) brothel sites has delayed people making application to the PLA for licences and certificates.
3. This indicator refers to the proportion of complaints received in the reporting year that are resolved within the reporting year.
4. All licensed brothels implement best practice standards.
5. It is a licence condition that all brothels require three monthly health certificates.
6. This indicator refers to the proportion of resolved complaints that are resolved within 20 working days.

Income Statement

Prostitution Licensing Authority	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
Income				
User charges		..	..	..
Grants and other contributions	2,5	590	590	429
Other revenue		799	839	852
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		1,389	1,429	1,281
Expenses				
Employee expenses		788	761	722
Supplies and services	3,6	521	537	467
Grants and subsidies		..	..	..
Depreciation and amortisation		22	25	25
Finance/borrowing costs		..	..	..
Other expenses	1,4	58	61	63
Losses on sale/revaluation of property, plant and equipment and investments		..	6	4
Total expenses		1,389	1,390	1,281
OPERATING SURPLUS/(DEFICIT)		..	39	..

Statement of Changes in Equity

Prostitution Licensing Authority	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		..	39	..
Total recognised income and expense for the period		..	39	..
Equity injection/(withdrawal)	
Equity adjustments (MoG transfers)	
Total movement in equity for period		..	39	..

Balance Sheet

Prostitution Licensing Authority	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
CURRENT ASSETS				
Cash assets		764	771	783
Receivables		11	8	8
Other financial assets		..	..	..
Inventories		..	..	..
Other		2	1	1
Non-financial assets held for sale		..	..	..
Total current assets		777	780	792
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	15	100	108	96
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		100	108	96
TOTAL ASSETS		877	888	888
CURRENT LIABILITIES				
Payables	7,11	36	41	41
Employee benefits obligations	8,12	62	82	82
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	9,13	151	46	46
Total current liabilities		249	169	169
NON-CURRENT LIABILITIES				
Payables		..	..	..
Employee benefits obligations	10,14	19	25	25
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		19	25	25
TOTAL LIABILITIES		268	194	194
NET ASSETS/(LIABILITIES)		609	694	694
EQUITY				
Capital/contributed equity		..	..	..
Retained surplus/(Accumulated deficit)		609	694	694
Reserves:				
- Asset revaluation reserve		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		609	694	694

Cash Flow Statement

Prostitution Licensing Authority	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		420	420	429
Other	18	849	792	912
Outflows:				
Employee costs		(791)	(761)	(722)
Supplies and services		(571)	(587)	(527)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(58)	(61)	(63)
Net cash provided by/(used in) operating activities		(151)	(197)	29
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		71	68	68
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	16,17,19	(74)	(53)	(85)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		(3)	15	(17)
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		(154)	(182)	12
Cash at the beginning of financial year		918	953	771
Cash transfers from restructure		..	..	..
Cash at the end of financial year		764	771	783

Explanation of Variances in the Financial Statements

Prostitution Licensing Authority

Income Statement

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

1. The increase is mainly due to the loss on sale of the motor vehicle.

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

4. The decrease in grants is due to the finalisation of the industry monitoring program.
5. The decrease in supplies and services is due to the finalisation of the industry monitoring program.
6. The increase is due to the loss on sale of the motor vehicle.

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

5. The decrease in grants is due to the finalisation of the industry monitoring program.
6. The decrease in supplies and services is due to the finalisation of the industry monitoring program.

Balance Sheet

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

7. The increase in payables is due to the timing of payments for supplies and services.
8. The increase in employee benefits is mainly due to the increase in the annual leave balance.
9. The decrease in other liabilities is due to the currency of brothel licences and managers' certificates increasing from one year to three years.
10. The increase in employee benefits is due to the increase in the annual leave balance.

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

11. The increase in payables is due to the timing of payments for supplies and services.
12. The increase in employee benefits is mainly due to the increase in the annual leave balance.
13. The decrease in other liabilities is due to the currency of brothel licences and managers' certificates increasing from one year to three years.
14. The increase in employee benefits is due to the increase in the annual leave balance.

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

15. The decrease is due to the depreciation of non-current assets.

Cash Flow Statement

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

16. The variation is the result of the adjustment to the asset replacement program.

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

17. The variation is the result of the adjustment to the asset replacement program.

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

18. The variation is mainly due to the timing of receiving brothel licence and manager's certificate fees.
19. The variation is the result of the adjustment to the asset replacement program.