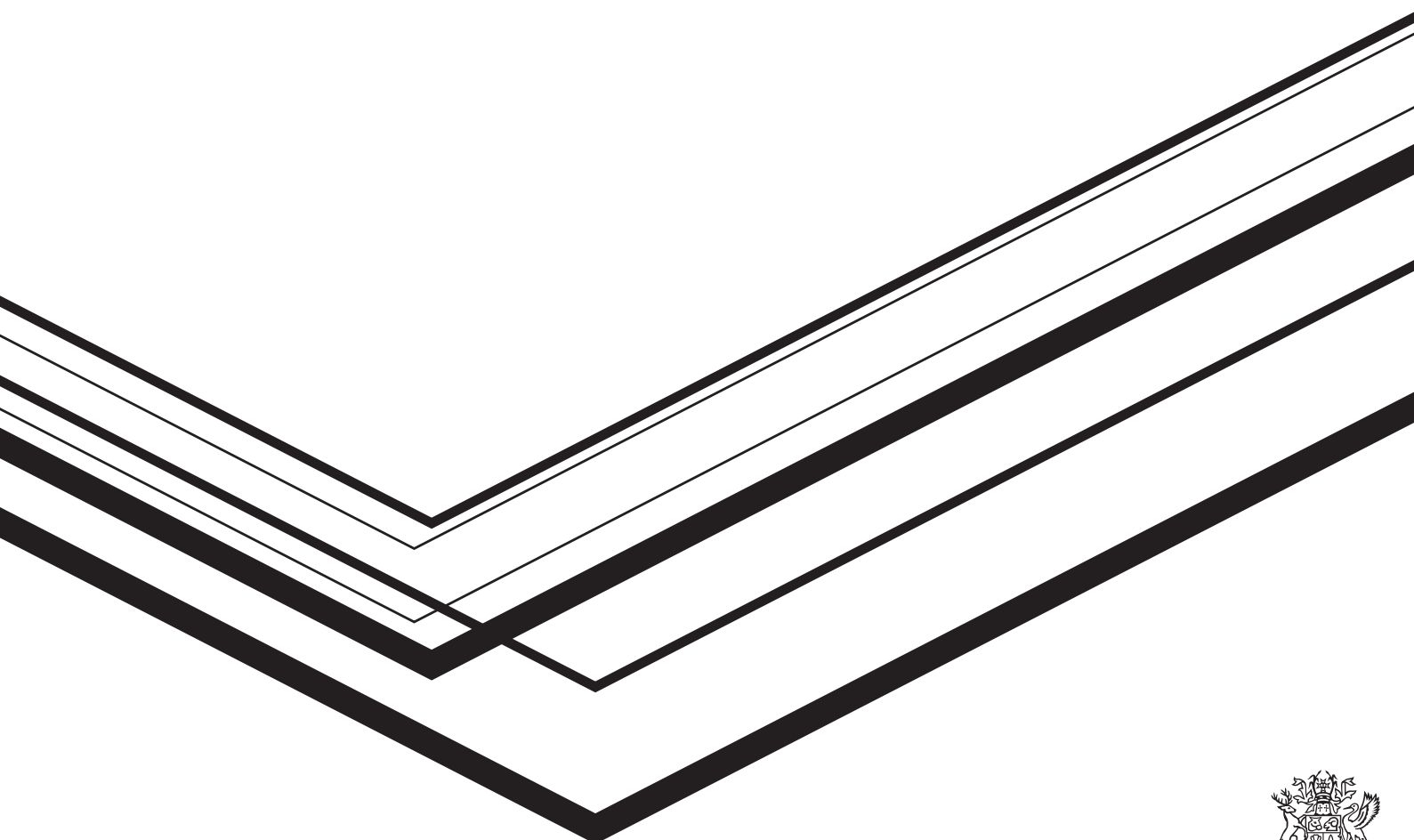


Service Delivery Statements

**Department of the Premier and Cabinet
Office of the Governor
Public Service Commission
Queensland Audit Office**



2015-16 Queensland Budget Papers

- 1. Budget Speech**
- 2. Budget Strategy and Outlook**
- 3. Capital Statement**
- 4. Budget Measures**
- 5. Service Delivery Statements**

Appropriation Bills

Jobs Now, Jobs for the Future - Queensland Government employment plan

Budget Highlights

The suite of Budget Papers is similar to that published in 2014-15.

The Budget Papers are available online at www.budget.qld.gov.au

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Service Delivery Statements

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Department of the Premier and Cabinet

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Portfolio overview

Ministerial and portfolio responsibilities

The table below represents the agencies and services which are the responsibility of the Premier and Minister for the Arts.

Premier and Minister for the Arts

The Honourable Annastacia Palaszczuk MP

Minister for Disability Services, Minister for Seniors and Minister Assisting the Premier on North Queensland

The Honourable Coralee O'Rourke MP

Department of the Premier and Cabinet

Director-General: Dave Stewart

Service area 1: Policy Advice, Coordination and Cabinet Support

Service area 2: Government Executive Support

Service area 3: Arts Queensland

Service area 4: Legislative Drafting and e-Publishing

Shared Service Provider: Corporate Administration Agency

The Premier is also responsible for:

Queensland Family and Child Commission

Principal Commissioner: Steve Armitage

Objective: To promote the safety, wellbeing and best interests of children and young people.

Queensland Art Gallery

Director: Chris Saines

Objective: To engage people with art and artists through memorable and transformative experiences onsite and online.

Queensland Museum

Chief Executive Officer: Professor Suzanne Miller

Objective: To inspire generations of Queenslanders to discover, celebrate and value our distinctive natural and cultural environment.

Queensland Performing Arts Trust

Chief Executive Officer: John Kotzas

Objective: To engage people through live performances in order to enrich lives and enable active participation in civic life.

Office of the Governor

Official Secretary: Air Commodore Mark Gower OAM

Objective: To provide support to the Governor in order to enable His Excellency to exercise his statutory and constitutional, ceremonial, civic and social duties of the office.

Public Service Commission

Commission Chief Executive: Robert Setter

Objective: To drive community-focused workforce strategies to deliver better outcomes for Queensland.

Queensland Audit Office

Auditor-General: Andrew Greaves

Objective: To provide independent assurance and unique insights.

Additional information about these agencies can be sourced from

www.premiers.qld.gov.au;
www.arts.qld.gov.au;
www.caa.qld.gov.au;
www.legislation.qld.gov.au,
www.qfcc.qld.gov.au;
www.qagoma.qld.gov.au;
www.qm.qld.gov.au;
www.qpac.com.au
www.govhouse.qld.gov.au;
www.psc.qld.gov.au,
www.qao.qld.gov.au,

Departmental overview

The Department of the Premier and Cabinet (DPC) is the lead, central agency of the Queensland Public Service.

DPC's vision is that “we make a real and tangible difference today, and our contributions will be recognised by future generations”.

The department's objectives are to:

- support the Premier to set the strategic direction of government
- ensure the effective development, coordination and implementation of policy
- build confidence in government
- deliver outstanding results and value for money for Queenslanders
- provide leading insight, advice and services
- attract and retain a talented and diverse workforce.

The department's priorities for 2015-16 are to:

- develop effective policies and programs to support jobs and economic growth
- lead a whole-of-government focus on social inclusion and social innovation
- strengthen environmental protection and management
- increase access to the arts
- play a leadership role in Federalism and Tax reform
- strengthen engagement with the community to inform policy settings and services
- work with Queensland Treasury and agencies on government's fiscal strategy and performance
- be an employer of choice, with an engaged and happy workforce.

DPC is committed to supporting the delivery of the Queensland Government's objectives for the community, including a focus on integrity and accountability. This will be achieved through consultation and guiding whole-of-government decision making in line with the government's commitments.

Like central agencies in other states and territories, DPC is working in a fiscally constrained environment, marked by exponential change and growth in demand for services.

Mass connectivity and new technology platforms offer significant opportunities for government to do things differently. DPC will listen to Queenslanders to identify community and business challenges then work with stakeholders to develop policy responses and services.

DPC works collaboratively to address today's challenges and position Queensland for the future.

Service performance

Service approach

As a result of machinery of government changes, which took place in March 2015, Arts Queensland, along with its statutory bodies (Queensland Museum, Queensland Art Gallery and Queensland Performing Arts Trust) and the shared service provider Corporate Administration Agency were transferred to the Department of the Premier and Cabinet from the former Department of Science, Information Technology, Innovation and the Arts.

In 2014-15 administration of the Queensland Government's investment in the State Library of Queensland, a statutory body, transferred from Arts Queensland to the Department of Science, Information Technology and Innovation.

Performance statement

Policy Advice, Coordination and Cabinet Support

Service area objective

To support the development and coordination of policy advice for the Premier, Cabinet and the Government.

Service area description

To facilitate the development of evidence-based policy advice and coordination for the Premier and Cabinet, as well as Cabinet-related activities to drive change across government. The service area provides detailed briefings to the Premier on policy, from design and development through to coordination and implementation. It coordinates a broad range of whole-of-government activities and provides advice on the operation of Cabinet and its related processes, including administration of all Cabinet information, custodianship of the Cabinet record from current and previous governments and direct logistical support for Cabinet and Community Cabinet meetings.

Services

- Policy Advice and Coordination
- Cabinet Support

2015-16 service area highlights

During 2015-16, the service area will:

- support the Premier in driving the strategic objectives and priorities of government
- provide dedicated policy and analysis and advice on long-term issues facing Queensland, such as increasing our innovation capabilities, supporting emerging industries and fostering regional growth
- drive open policy-making and program design through partnerships with researchers, industry and community organisations
- apply new data capture and analysis methods to help improve program effectiveness and value for money
- work with the Public Service Commission, agencies and external partners, to ensure that policy professionals in the Queensland Government have access to opportunities for continuous professional development to build their skills and expertise
- lead Queensland's engagement with the Council of Australian Governments and other whole-of-government inter-jurisdictional activities, including the following priorities:
 - Queensland's participation in the development of the Federal Government's Reform of the Federation and Reform of Australia's Tax System White Papers

- the Queensland Government response to the Commonwealth’s proposed changes to natural disaster relief and recovery arrangements
- Queensland’s activities to address the COAG Closing the Gap in Indigenous Disadvantage targets, as set out in the *National Indigenous Reform Agreement*
- Queensland’s input into the development of the National Ice Action Strategy as part of the National Ice Taskforce, and facilitating Queensland led responses to address the issue of ice in the community
- coordinate, develop and provide leadership and implementation for whole-of-government initiatives including:
 - response to the *Not Now, Not Ever – Putting an End to Domestic and Family Violence in Queensland report*
 - response to the *Independent review of an incident involving Queensland Fire and Emergency Services employees report*, jointly with the Public Safety Business Agency and Queensland Fire and Emergency Services
 - Queensland’s disaster management arrangements, including support for the Premier in her role as Chair of the Queensland Disaster Management Committee, and liaising with the Commonwealth and other state and territory jurisdictions through the Australian and New Zealand Emergency Management Committee (ANZEMC)
 - Queensland’s counter-terrorism arrangements, including support for the Premier in her role as Chair of the Queensland Security Committee, and liaising with the Commonwealth and other state and territory jurisdictions through the Australian and New Zealand Counter-Terrorism Committee (ANZCTC)
 - Counter Extremism Strategy Taskforce to deliver a co-ordinated whole-of-government approach to build social cohesion and religious tolerance in schools and the community to prevent extremism
- support the Premier and the Minister for Sport and Racing in developing the *Government response to the Queensland Greyhound Racing Industry Commission of Inquiry*
- provide whole-of-government coordination and support to:
 - the Minister Assisting the Premier on North Queensland, including establishing the DPC North Queensland Office in Townsville
 - the Working Queensland Interdepartmental Committee, which supports the Working Queensland Cabinet Committee
- support the government’s reform agenda for vocational education and training (VET) and TAFE Queensland through providing leadership and advice regarding VET investment and ongoing management of Queensland’s training assets
- provide secretariat, policy and analytical support to the Panama disease Tropical Race 4 Response and Resilience Taskforce to assist the taskforce consider whole-of-government and structural adjustment implications arising from the discovery of Panama disease in the state’s banana industry
- review the Queensland Government Performance Management Framework and associated whole-of-government reporting requirements
- provide enhanced public reporting on government outcomes, commitments and actions, through the implementation of an interactive website providing Queenslanders with timely and engaging information on the government’s performance
- provide support for Cabinet and Cabinet Committees, and coordinate Community Cabinet events across rural and regional Queensland.

Department of the Premier and Cabinet	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service area: Policy Advice, Coordination and Cabinet Support				
Service: Policy Advice and Coordination				
Service standards <i>Effectiveness measures</i> Customer satisfaction with advice by DPC to agencies on performance management and reporting requirements	1	85%	94%	85%
Customer satisfaction with DPC engagement with the policy development process	1	85%	85%	85%
Customer satisfaction with advice and support relating to intergovernmental issues	1	85%	98%	85%
<i>Efficiency measures</i>	2			
Service: Cabinet Support				
Service standards <i>Effectiveness measure</i> Customer satisfaction with support provided by Cabinet Services	1	85%	96%	85%
<i>Efficiency measure</i> Average cost of support provided to coordinate Community Cabinet meetings	3	..	\$23,000	\$23,000

Notes:

1. This service standard informs on overall satisfaction levels with the quality, timeliness and support provided by DPC and is derived from an annual client survey. Customers are Ministers, Directors-General and their agency's Cabinet Legislation and Liaison Officers and Senior Policy Officers.
2. An efficiency measure is being developed for this service and will be included in a future Service Delivery Statement.
3. This service standard provides information on the average cost to coordinate Community Cabinet meetings. The wording of this service standard has been amended to clarify what is included in the measure. This service standard measures costs incurred by DPC in coordinating two day Community Cabinet meetings in regional and rural Queensland. Costs of coordinating the meetings, such as venue and equipment hire, as well as costs associated with DPC staff preparing for and attending the events, such as salary, travel and accommodation, are included in the measure. The target for 2015-16 has been calculated by the average cost of events coordinated in 2014-15. Five (two day) Community Cabinet meetings were held during the financial year.

Government Executive Support

Service area objective

Provide high level constitutional and corporate services and support to the Premier and Cabinet.

Service area description

Government Services is comprised of the Anzac Centenary Coordination Unit, Appointments and Constitutional Services, Ministerial Services and Strategic Engagement and Protocol (Communication Services, Events Coordination and Protocol Queensland).

Government Services provides policy and operational advice and support to the Premier in relation to executive government and machinery of government matters, support to the administration of business before Executive Council, and provides support services to Ministerial Offices and the Leader of the Opposition. In addition, it leads whole-of-government sponsorships and communication activities and manages and coordinates events including the Anzac Centenary commemoration program, State occasions, official visits and functions.

Corporate Services, delivers high quality corporate support to customers and stakeholders using contemporary systems and processes, as well as increasing employee engagement and capability by investing in organisational culture and developing a talented and diverse workforce.

Services

- Government Services
- Corporate Services

2015-16 service area highlights

During 2015-16, the service area will:

- coordinate high level policy advice, options and service support to the Premier and to Cabinet on government body establishment (especially those that relate to government commitments), appointments and associated remuneration
- provide advice on constitutional and Executive Council matters to the Office of the Governor, and support the administration of business before the Executive Council
- lead delivery of whole-of-government communication, including crisis communication arrangements and deliver a range of community engagement programs and major events, as well as lead on whole-of-government event and sponsorship policy and advice
- coordinate the Premier's official overseas visits and official functions and visits by senior foreign dignitaries and Foreign Heads of Mission, including the annual functions in honour of specific occasions such as Chinese New Year and Queensland relationships with India, China and South Korea
- provide Queenslanders with opportunities to engage with the Anzac Centenary by delivering major events, coordinating a community grants program, managing delivery of legacy projects, and producing communication and marketing activities to educate and engage communities
- leverage opportunities from the Australian War Memorial's Spirit of the Anzac Centenary exhibition visiting Queensland in 2016
- coordinate the state's legal representation before various State and Federal Commissions of Inquiry
- increase customer satisfaction and engagement in corporate service delivery
- provide a strong corporate governance framework built on a model of integrity, accountability and transparency for internal and external stakeholders
- provide customers and stakeholders with modern, efficient and technologically advanced systems and processes to enable and support workforce agility and productivity
- coordinate the whole-of-government Policy Futures graduate program and recruit approximately 35 university graduates to be placed across 12 agencies to undertake a two year program

- implement a range of initiatives under the Health and Wellbeing program, which are focused on fostering and promoting a healthy workplace environment. These initiatives strive to improve employee morale and motivation and in turn reduce absenteeism, staff turnover and increase productivity
- review and improve the management of executive correspondence, with a focus on modernisation, efficiency and being customer-oriented.

Department of the Premier and Cabinet	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service area: Government Executive Support				
Service: Government Services				
Service standards <i>Effectiveness measure</i> Customer satisfaction with support and advice provided by Government Services	1	85%	96%	85%
<i>Efficiency measure</i> Cost of Government Services as a % of departmental cost	2	New measure	New measure	14%
Service: Corporate Services				
Service standards <i>Effectiveness measure</i> Customer satisfaction with support and advice provided by Corporate Services	3	85%	93%	85%
<i>Efficiency measure</i> Cost of Corporate Services as a % of departmental cost	4	15%	12%	14%

Notes:

1. This service standard informs on overall satisfaction levels with quality, timeliness and support provided by Government Services and is derived from an annual client survey. Customers are Ministers, Directors-General and their agency's Cabinet Legislation and Liaison Officers and Senior Policy Officers.
2. This service standard informs on the overall cost of Government Services as a percentage of the total departmental budget.
3. This service standard informs on the overall satisfaction level of internal customers on services provided by Corporate Services. Customers are departmental officers, including the Director-General and executive management.
4. This service standard informs on the overall cost of Corporate Services as a percentage of the total departmental budget.

Arts Queensland

Service area objective

To support Queenslanders' access to arts and cultural experiences to enable growth of the arts sector and a strong community of arts.

Service area description

Arts Queensland manages investment programs that support individual artists and arts and cultural organisations; capital infrastructure that provides public spaces for arts production and engagement; maintains Queensland's premier cultural assets; and provides arts and cultural policy and strategy advice to the Queensland Government.

Services

- Investment Programs
- Facilities Management

2015-16 service area highlights

During 2015-16, Arts Queensland will:

- increase Queensland Government investment in the arts sector
- conduct a policy and funding review examining arts and cultural priorities, funding and assessment models for the Queensland Government that exemplifies innovation, fairness and transparency
- administer the Queensland Government's investment in Arts statutory bodies, major performing arts organisations and government owned arts companies by providing operational funding and facilities management
- manage a cultural infrastructure program that delivers infrastructure upgrades and a maintenance program for the cultural precinct on Brisbane's Southbank.

Department of the Premier and Cabinet	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service area: Arts Queensland	1			
Service: Investment Programs				
Service standards <i>Effectiveness measure</i> Level of client satisfaction with Arts Queensland's service delivery	2	87%	88%	90%
<i>Efficiency measures</i>	3			
Service: Facilities Management				
Service standards <i>Effectiveness measure</i> Utilisation of state-owned arts and cultural facilities	4	4,550,000 visitors	5,342,097 visitors	5,500,000 visitors
<i>Efficiency measure</i> Commercial revenue as a percentage of total revenue	5	13%	15%	16%

Notes:

1. Arts Queensland is a new service area for the Department of Premier and Cabinet in 2015-16 as a result of machinery of government changes. Previously, Arts Queensland was part of the former Department of Science, Information Technology, Innovation and the Arts (DSITIA).
2. The method of calculating this measure is based on the Queensland Government's Performance Management Framework five-point survey guidelines, as well as the DPC Better Practice Guidelines for Measuring Client Satisfaction. The survey includes questions related to the following dimensions of performance: timeliness, quality, access, staff, outcome and overall satisfaction. This measure was reported in DSITIA's Service Delivery Statement in 2014-15.
3. An efficiency measure is being developed for this service and will be included in a future service delivery statement.
4. This service standard informs on the estimated actual target based on the total estimated attendance figures in 2014-15 of Queensland Performing Arts Centre, Queensland Art Gallery, Queensland Museum, State Library of Queensland and the Judith Wright Centre of Contemporary Arts. This measure was a new measure introduced in DSITIA's Service Delivery Statement in 2014-15.
5. This service standard measures Arts Queensland's efficiency in leveraging government's investment in Queensland's premier cultural facilities through revenue generation that contributes to facilities management costs. This measure was reported in DSITIA's Service Delivery Statement in 2014-15.

Legislative Drafting and ePublishing

Service area objective

To draft and provide access to Queensland legislation of the highest standard.

Service area description

Legislative Drafting and e-Publishing (LDeP) through the Office of the Queensland Parliamentary Counsel (OQPC) provides drafting and e-Publishing services for Queensland legislation. This service supports the Queensland Government and democracy by drafting and e-publishing legislation of the highest quality for Queensland. The service enables the Government to implement its legislative reform agenda. LDeP makes a special contribution by advising on the application of fundamental legislative principles to ensure that legislation has sufficient regard to the rights and liberties of individuals and the institution of Parliament.

Services

- Legislative Drafting
- e-Publishing Legislation

2015-16 service area highlights

During 2015-16, the service area will:

- apply its drafting services in support of the government's objectives for the community by timely delivery of the government's legislative program
- apply its drafting services in support of democracy by drafting, on request, Bills and amendments of Bills for private members
- contribute to the drafting of national scheme legislation and the work of the Australasian Parliamentary Counsel's Committee
- provide the authoritative source of Queensland legislation in a timely way through its public website [www.legislation.qld.gov.au]
- deliver the eLegislation project to streamline legislative production and publishing processes and transform public access to Queensland legislation and legislative information through its public website enhancements, including saved search functionality, legislation in additional formats including eBooks, and browsing by user group interests/subject and the electronic publishing of pre-1991 legislation as made.

Department of the Premier and Cabinet	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service area: Legislative Drafting and e-Publishing				
Service standards				
<i>Effectiveness measures</i>				
Percentage of client satisfaction with legislative drafting services provided by the Office of the Queensland Parliamentary Counsel	1	85%	100%	85%
Percentage of client satisfaction with the quality of access to legislation available online	1	85%	100%	85%
<i>Efficiency measures</i>	2			

Notes:

1. This service standard informs on overall satisfaction levels with the quality, timeliness and support provided by LDeP and is derived from an annual client survey. Clients are Ministers, Directors-General and their agencies, Cabinet Legislation and Liaison Officers and Senior Policy Officers.
2. An efficiency measure is being developed and will be included in a future Service Delivery Statement.

Administered items

The key clients are Ministers, Assistant Ministers, the Leader of the Opposition and their respective staff. The services provided are:

- support for Ministers to assist in undertaking their responsibilities as Ministers of the State
- management of advisory, secretarial and administrative staff and associated resources for all Ministerial Offices
- maintenance of procedures to ensure the financial accountability of these offices is in accordance with the Queensland Ministerial Handbook
- corporate support for the Office of the Leader of the Opposition.

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

During 2015-16, the following significant developments are planned to be undertaken:

- the ongoing development and implementation of the cloud strategy for the Ministerial network in consultation with clients and key stakeholders
- the implementation of an expense management system which incorporates online expense applications and payments.

Financial statements and variance explanations in relation to Administered Items appear in the Departmental Financial Statements. Further information can be obtained by referring to the Public Report of office expenses tabled twice yearly in Parliament.

The department also administers funds on behalf of the state, which includes the Queensland Family and Child Commission, and the arts statutory bodies of the Queensland Art Gallery, Queensland Museum, Queensland Performing Arts Trust, Queensland Theatre Company and Screen Queensland.

Administered funding provided for each entity in 2015-16 is:

- \$11.7 million for Queensland Family and Child Commission
- \$29.1 million for Queensland Art Gallery
- \$22.2 million for Queensland Museum
- \$9.3 million for Queensland Performing Arts Trust
- \$2.6 million for Queensland Theatre Company
- \$13.6 million for Screen Queensland.

Financial statements and variance explanations for the Queensland Family and Child Commission, Queensland Art Gallery, the Queensland Museum, and the Queensland Performing Arts Trust are reported within the Service Delivery Statements.

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

Discontinued measures

Performance measures included in the 2014-15 Service Delivery Statements that have been discontinued or replaced are reported in the following table with estimated actual results. For those measures that are being discontinued from the Service Delivery Statement because they do not demonstrate the effectiveness or efficiency of services, please refer to the notes below for further information about where these measures will continue to be reported.

Department of the Premier and Cabinet	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service area: Government Executive Support				
Average cost of delivery of Government Services:				
• statewide community newsletter	1	..	12 cents	
• coordination of official overseas visits	1	N/A	N/A	Discontinued measure
Service area: Public Sector Renewal				
% of agencies that undertake redesign initiatives to improve customer services and present these achievements to the Public Sector Renewal Board	2	100%	85%	Discontinued measure
% client satisfaction with quality and timeliness of advice for the implementation for the Commission of Audit recommendations and the application contestability to government services	2	80%	93%	Discontinued measure
% client satisfaction with quality and timeliness of advice on delivering the Government's Public Sector Renewal Program	2	80%	93%	Discontinued measure

Notes:

1. This service standard has been discontinued as the community newsletter initiative is being reviewed. The cost of coordination of official overseas visits service standard has been discontinued. This measure is being discontinued as it does not provide information about how well the budget was used to deliver the service.
2. On 12 March 2015, the Public Sector Renewal Board was dissolved. Consistent with this decision, implementation of Commission of Audit activities and other Public Sector Renewal Program initiatives have ceased.

Ministerial Offices and Office of the Leader of the Opposition

Staff by Office ¹	Notes	2014-15 Budget	2014-15 Est. Act	2015-16 Estimate
Premier		35	..	..
Deputy Premier, Minister for State Development, Infrastructure and Planning		14	..	..
Treasurer and Minister for Trade		16	..	..
Minister for Health		11	..	..
Minister for Education, Training and Employment		11	..	..
Attorney-General and Minister for Justice		10	..	..
Minister for Police and Minister for Fire and Emergency Services		10	..	..
Minister for Transport and Main Roads		10	..	..
Minister for Housing and Public Works		10	..	..
Minister for Agriculture, Fisheries and Forestry		9	..	..
Minister for Environment and Heritage Protection		8	..	..
Minister for Natural Resources and Mines		8	..	..
Minister for Energy and Water Supply		9	..	..
Minister for Local Government, Community Recovery and Resilience		9	..	..
Minister for Communities, Child Safety and Disability Services		10	..	..
Minister for Science, Information Technology, Innovation and the Arts		8	..	..
Minister for National Parks, Recreation, Sport and Racing		8	..	..
Minister for Tourism, Major Events, Small Business and the Commonwealth Games		8	..	..
Minister for Aboriginal and Torres Strait Islander and Multicultural Affairs and Minister assisting the Premier		8	..	..
Total for Ministerial Offices		212	..	..
Office of the Leader of the Opposition		22	..	..
Total for Non-Government Support		22	..	..
Corporate Support	
Grand Total		234	..	..

Note:

1. Figures may not sum to total due to rounding.

Staff by Office¹	Notes	2014-15 Budget	2014-15 Est. Act	2015-16 Estimate
Premier and Minister for the Arts		..	35	35
Deputy Premier, Minister for Transport, Minister for Infrastructure, Local Government and Planning and Minister for Trade		..	15	15
Treasurer, Minister for Employment and Industrial Relations and Minister for Aboriginal and Torres Strait Islander Partnerships		..	14	14
Minister for Health and Minister for Ambulance Services		..	13	13
Minister for Education and Minister for Tourism, Major Events, Small Business and the Commonwealth Games		..	11	11
Minister for State Development and Minister for Natural Resources and Mines		..	10	10
Attorney-General and Minister for Justice and Minister for Training and Skills		..	11	11
Minister for Police, Fire and Emergency Services and Minister for Corrective Services		..	11	11
Minister for Agriculture and Fisheries and Minister for Sport and Racing		..	9	9
Minister for Main Roads, Road Safety and Ports and Minister for Energy and Water Supply		..	10	10
Minister for Environment and Heritage Protection and Minister for National Parks and the Great Barrier Reef		..	9	9
Minister for Housing and Public Works and Minister for Science and Innovation		..	9	9
Minister for Communities, Women and Youth, Minister for Child Safety and Minister for Multicultural Affairs		..	9	9
Minister for Disability Services, Minister for Seniors and Minister Assisting the Premier on North Queensland		..	9	9
Total for Ministerial Offices		..	174	174
Assistant Minister of State Assisting the Premier		..	2	2
Total Assistant Ministers		..	2	2
Total for Ministerial Offices and Assistant Ministers		..	176	176
Office of the Leader of the Opposition		..	22	22
Total for Non-Government support		..	22	22
Grand Total		..	198	198

Note:

1. Figures may not sum to total due to rounding.

Budget and Expenses by Office¹	Notes	2014-15 Budget \$'000	2014-15 Est. Act \$'000	2015-16 Estimate \$'000
Premier		6,327	4,019	..
Deputy Premier, Minister for State Development, Infrastructure and Planning		2,742	1,572	..
Treasurer and Minister for Trade		2,413	1,488	..
Minister for Health		2,069	1,236	..
Minister for Education, Training and Employment		1,800	1,143	..
Attorney-General and Minister for Justice		1,610	972	..
Minister for Police and Minister for Fire and Emergency Services		1,644	933	..
Minister for Transport and Main Roads		1,606	928	..
Minister for Housing and Public Works		1,542	818	..
Minister for Agriculture, Fisheries and Forestry		1,643	935	..
Minister for Environment and Heritage Protection		1,487	947	..
Minister for Natural Resources and Mines		1,525	927	..
Minister for Energy and Water Supply		1,626	962	..
Minister for Local Government, Community Recovery and Resilience		1,423	880	..
Minister for Communities, Child Safety and Disability Services		1,613	905	..
Minister for Science, Information Technology, Innovation and the Arts		1,448	878	..
Minister for National Parks, Recreation, Sport and Racing		1,441	852	..
Minister for Tourism, Major Events, Small Business and the Commonwealth Games		1,427	842	..
Minister for Aboriginal and Torres Strait Islander and Multicultural Affairs and Minister Assisting the Premier		1,426	826	..
Total Ministerial Offices		36,810	22,063	..
Assistant Minister to the Premier on E-Government		86	8	..
Assistant Minister to the Premier		97	19	..
Assistant Minister Planning Reform		89	35	..
Assistant Minister Finance, Administration and Regulatory Reform		97	27	..
Assistant Minister Technical and Further Education		91	29	..
Assistant Minister Emergency Volunteers		132	40	..
Assistant Minister Public Transport		89	29	..
Assistant Minister Natural Resources and Mines		90	3	..
Assistant Minister Child Safety		90	27	..
Assistant Minister Tourism		132	33	..
Assistant Minister Aboriginal and Torres Strait Islander Affairs		130	27	..
Assistant Minister Multicultural Affairs		88	25	..
Total Assistant Ministers		1,210	302	..

Budget and Expenses by Office ¹	Notes	2014-15 Budget \$'000	2014-15 Est. Act \$'000	2015-16 Estimate \$'000
Total for Ministerial Offices and Assistant Ministers		38,020	22,365	..
Office of the Leader of the Opposition		3,766	2,481	..
Total for Non-Government support		3,766	2,481	..
Corporate Support		4,121	1,144	..
GRAND TOTAL		45,907	25,990	..

Note:

1. Figures may not sum to total due to rounding.

Budget and Expenses by Office¹	Notes	2014-15 Budget \$'000	2014-15 Est. Act \$'000	2015-16 Estimate \$'000
Premier and Minister for the Arts		..	2,134	6,325
Deputy Premier, Minister for Transport, Minister for Infrastructure, Local Government and Planning and Minister for Trade		..	617	2,515
Treasurer, Minister for Employment and Industrial Relations and Minister for Aboriginal and Torres Strait Islander Partnerships		..	682	2,275
Minister for Health and Minister for Ambulance Services		..	655	2,186
Minister for Education and Minister for Tourism, Major Events, Small Business and the Commonwealth Games		..	511	1,789
Minister for State Development and Minister for Natural Resources and Mines		..	530	1,723
Attorney-General and Minister for Justice and Minister for Training and Skills		..	407	1,684
Minister for Police, Fire and Emergency Services and Minister for Corrective Services		..	476	1,690
Minister for Agriculture and Fisheries and Minister for Sport and Racing		..	529	1,659
Minister for Main Roads, Road Safety and Ports and Minister for Energy and Water Supply		..	452	1,619
Minister for Environment and Heritage Protection and Minister for National Parks and the Great Barrier Reef		..	575	1,569
Minister for Housing and Public Works and Minister for Science and Innovation		..	423	1,457
Minister for Communities, Women and Youth, Minister for Child Safety and Minister for Multicultural Affairs		..	488	1,523
Minister for Disability Services, Minister for Seniors and Minister Assisting the Premier on North Queensland		..	435	1,545
Total Ministerial Offices		..	8,914	29,559
Assistant Minister of State Assisting the Premier		..	12	225
Total Assistant Ministers		..	12	225
Total for Ministerial Offices and Assistant Ministers		..	8,926	29,784
Office of the Leader of the Opposition		..	1,143	3,394
Total for Non-Government support		..	1,143	3,394
Corporate Support		..	1,236	4,542
GRAND TOTAL		..	11,305	37,720

Note:

1. Figures may not sum to total due to rounding.

Departmental budget summary¹

The table below shows the total resources available in 2015-16 from all sources and summarises how resources will be applied by service area and by controlled and administered classifications.

Department of the Premier and Cabinet	2014-15 Adjusted Budget \$'000	2014-15 Est. Actual \$'000	2015-16 Budget \$'000
CONTROLLED			
Income			
Appropriation revenue ²			
Deferred from previous year/s	6,288	20,382	24,947
Balance of service appropriation	153,264	137,568	190,653
Other revenue	9,595	14,267	32,348
Total income	169,147	172,217	247,948
Expenses³			
Policy Advice, Coordination and Cabinet Support Service	37,556	54,091	47,999
Government Executive Support Service	59,851	52,667	58,811
Arts Queensland Service	40,868	35,787	117,021
Legislative Drafting and ePublishing Service	12,388	13,758	13,572
Public Sector Renewal	13,954	11,405	..
Corporate services provided to other agencies			
Corporate Administration Agency	2,997	2,897	8,876
Other	1,702	1,781	1,669
Total expenses	169,316	172,386	247,948
Operating surplus/deficit	(169)	(169)	..
Net assets	646,745	722,294	714,580
ADMINISTERED			
Revenue			
Commonwealth revenue	..	..	..
Appropriation revenue	74,336	64,890	126,420
Other administered revenue	..	..	..
Total revenue	74,336	64,890	126,420
Expenses			
Transfers to government	..	..	..
Administered expenses	74,336	64,890	126,420
Total expenses	74,336	64,890	126,420
Net assets	4,320	4,891	4,891

Notes:

1. Figures align to the department's consolidated reporting entity financial statements.
2. Includes State and Commonwealth funding.
3. Corporate support costs are allocated across the service to which they relate.

Service area sources of revenue¹

Sources of revenue 2015-16 Budget					
Service area	Total cost \$'000	State contribution \$'000	User charges and fees \$'000	C'wealth revenue \$'000	Other revenue \$'000
Policy Advice, Coordination and Cabinet Support Service	47,999	47,996	..	..	3
Government Executive Support Service	58,811	56,773	2,036	..	2
Arts Queensland Service	117,021	95,977	20,832	..	212
Legislative Drafting and ePublishing Service	13,572	13,572	..	..	..
Total²	237,403	214,318	22,868	..	217

Notes:

1. Explanations of variances are provided in the financial statements.
2. The Total Sources of Revenue does not equal the "Total income" in the Departmental Budget Summary nor the Consolidated Income Statement as the department provides corporate services to the other agencies. This includes support provided by Corporate Administration Agency and other support provided to the Public Service Commission and Office of the Governor.

Budget measures summary

This table shows a summary of budget measures relating to the department since the 2014-15 State Budget. Further details are contained in *Budget Paper 4*.

Department of the Premier and Cabinet	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
Revenue measures					
Up to and including 2014-15 MYR					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..
2015-16 Budget					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..
Total revenue measures					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..
Expense measures					
Up to and including 2014-15 MYR					
Administered	..	..	..	..	..
Departmental	2,565	..	..	..	..
2015-16 Budget					
Administered	..	(6,475)	(7,821)	(7,830)	(7,830)
Departmental	..	5,202	1,384	4,970	5,815
Total expense measures					
Administered	..	(6,475)	(7,821)	(7,830)	(7,830)
Departmental	2,565	5,202	1,384	4,970	5,815
Capital measures					
Up to and including 2014-15 MYR					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..
2015-16 Budget					
Administered	..	..	..	..	..
Departmental	..	6,717	6,467	5,256	1,560
Total capital measures					
Administered	..	..	..	..	..
Departmental¹	..	6,717	6,467	5,256	1,560

Departmental capital program

Department of the Premier and Cabinet (including Ministerial Offices and the Leader of the Opposition) has a planned capital outlay of \$9.19 million in 2015-16. This involves the renewal and replacement of large critical infrastructure items as well as the upgrade of the communications and security control room at the Cultural Precinct, construction of permanent Anzac Legacy Gallery at the Queensland Museum as part of the Queensland's Anzac Centenary commemoration program 2014-18 and the completion of an eLegislative System, which will integrate legislative drafting, publishing and web based access.

Capital budget

Department of the Premier and Cabinet	Notes	2014-15 Adjusted Budget \$'000	2014-15 Est. Actual \$'000	2015-16 Budget \$'000
Capital purchases¹				
Total land, buildings and infrastructure		144	144	8,017
Total plant and equipment		124	..	1,049
Total other capital		840	685	124
Total capital purchases		1,108	829	9,190

Note:

1. For more detail on the agency's capital acquisitions please refer to Budget Paper 3.

Staffing¹

Service areas	Notes	2014-15 Adjusted Budget	2014-15 Est. Actual	2015-16 Budget
Services²				
Policy Advice, Coordination and Cabinet Support Service	3	174	191	198
Government Executive Support Service	4	132	155	150
Arts Queensland Service	5	130	133	137
Legislative Drafting and ePublishing Service	6	71	86	73
Public Sector Renewal	7	43	..	..
Administered				
Ministerial Offices and Office of the Leader of the Opposition	8	234	198	198
Corporate services provided to other agencies				
Corporate Administration Agency	9	59	60	60
Other	10	6	3	5
TOTAL		849	826	821

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate FTEs are allocated across the service to which they relate.
3. An increase from the 2014-15 Adjusted budget to the 2014-15 Estimated actual and the 2014-15 Budget primarily due to the establishment of a North Queensland Office, establishment of a Taskforce to contribute to the Federal Government's Reform of the Federation and Reform of Australia's Tax System, as well as the expansion of a dedicated whole-of-government policy graduate program.
4. An increase from the 2014-15 Adjusted budget to the 2015-16 Estimated actual and the 2014-15 Budget primarily due to the Grantham Floods Commission of Inquiry, review of statutory appointees, Anzac Centenary Commemoration program, the former government's whole-of-government media reporting services.
5. An increase from the 2014-15 Estimated actual to the 2015-16 Budget primarily due to undertaking critical infrastructure maintenance, repairs and modernisation of buildings at the cultural centre precinct.
6. An increase from the 2014-15 Adjusted budget to the 2014-15 Estimated actual due to additional casual staff engaged to undertake data conversion checking as part of the QUILLS implementation, additional temporary roles associated with the implementation of the eLegislation project and associated drafting program.
7. The Public Sector Renewal service delivery discontinued upon the commencement of the new government. Staff were reassigned to other service areas within the department.
8. A decrease from the 2014-15 Adjusted budget to the 2014-15 Estimated actual and the 2014-15 Budget primarily due to fewer support staff required as a result of the reduction in the number of Ministerial Offices.
9. Budget FTEs employed by Corporate Administration Agency is 67. However, corporate FTEs have been allocated across the service to which they relate, namely Arts Queensland.
10. General corporate support is provided to the Public Service Commission and Office of the Governor.

Budgeted financial statements

Analysis of budgeted financial statements

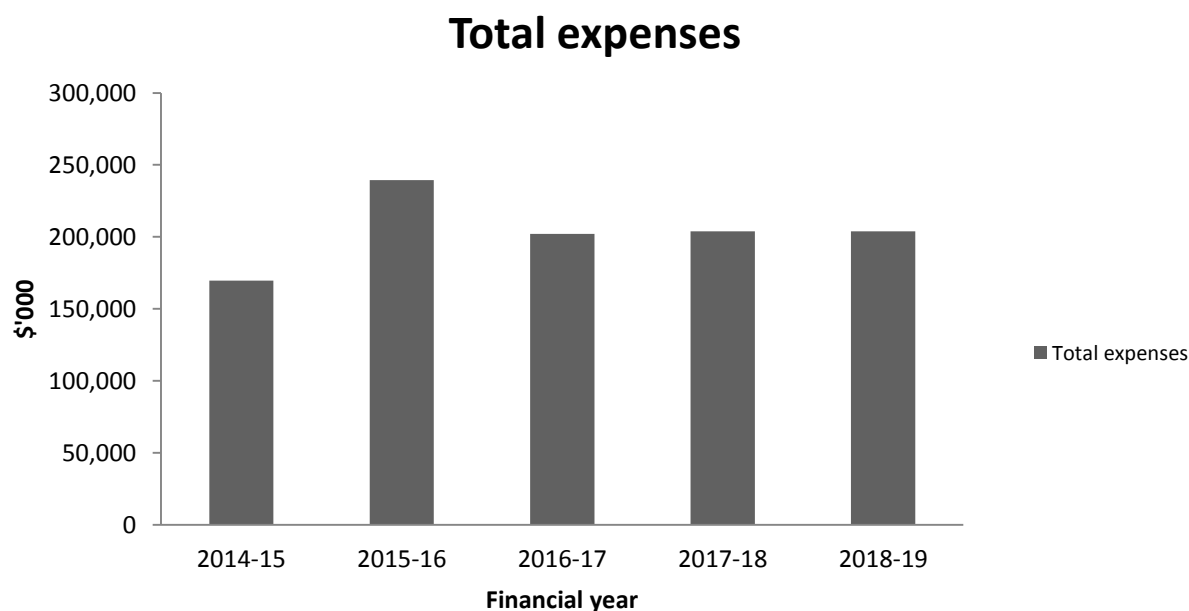
An analysis of the Department of the Premier and Cabinet's budgeted financial statements, as reflected in the department's financial statements, is provided below.

Departmental income statement

Total expenses are estimated to be \$239.347 million in 2015-16, an increase of \$69.777 million from the 2014-15 financial year. The increase is primarily due to the full year effect of the Arts Queensland machinery of government transfer from Department of Science, Information Technology and Innovation. Further movements include additional funding approved post budget formation for reducing Domestic and Family Violence activities, impending Cultural Precinct capital maintenance works, restoration of arts grant funding, limited life funding for Visual Arts & Crafts Strategy, Backing Indigenous Arts and Queensland Art Gallery exhibitions and Enterprise Bargaining arrangements. This is partly offset by reduced depreciation funding required for Cultural Precinct non-land assets, completion of G20 activities, Queensland Health Renewal Taskforce and less payments associated with Anzac Centenary Commemoration legacy projects.

Expenditure reduces in 2016-17 primarily due to the completion in 2015-16 of a number of one-off grant payments and short-term projects including Commissions of Inquiry, implementation of Domestic and Family Violence Taskforce Recommendations, former government's whole-of-government Media Reporting Services, an anti-violence initiative and the Federalism Taskforce. There is also a transfer to equity to facilitate completion of an Anzac Centenary Commemoration legacy project. Expenditure from 2016-17 onwards is relatively constant.

Chart: Total departmental expenses across the Forward Estimates period



Departmental balance sheet

Total asset holdings in 2015-16 are \$719.604 million. A major component of assets are the land and buildings owned by Arts Queensland in the Cultural Precinct. In addition to this, the department owns several systems designed to provide efficient and effective delivery of departmental services. These systems enhance legislative processes, records management and performance management.

2015-16 total liabilities of \$9.423 million includes \$1.888 million associated with the Revolving Film Finance Fund (RFFF).

Controlled income statement

Department of the Premier and Cabinet	Notes	2014-15 Adjusted Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
INCOME				
Appropriation revenue	1,9,16	159,552	157,950	215,600
Taxes		..	..	..
User charges and fees	2,10,17	6,322	8,475	23,247
Royalties and land rents		..	..	..
Grants and other contributions	3,18	439	3,138	283
Interest		..	..	..
Other revenue		6	7	217
Gains on sale/revaluation of assets		..	..	..
Total income		166,319	169,570	239,347
EXPENSES				
Employee expenses	4,11,19	53,210	58,216	67,574
Supplies and services	5,12,20	51,148	63,608	70,317
Grants and subsidies	6,13,21	42,640	35,195	66,551
Depreciation and amortisation	7,14,22	19,134	11,805	32,952
Finance/borrowing costs		31	31	83
Other expenses	8,15,23	156	715	1,870
Losses on sale/revaluation of assets		..	..	..
Total expenses		166,319	169,570	239,347
OPERATING SURPLUS/(DEFICIT)		..	..	..

Controlled balance sheet

Department of the Premier and Cabinet	Notes	2014-15 Adjusted Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
CURRENT ASSETS				
Cash assets		7,726	10,822	11,460
Receivables	24,33	7,940	6,348	6,348
Other financial assets		..	..	..
Inventories	25,34	81	38	38
Other		553	458	458
Non financial assets held for sale		..	..	..
Total current assets		16,300	17,666	18,304
NON-CURRENT ASSETS				
Receivables	26,35	932	130	130
Other financial assets		..	..	..
Property, plant and equipment	27,36,42	632,167	707,463	699,675
Intangibles	28,37,43	4,034	1,933	1,495
Other		..	..	..
Total non-current assets		637,133	709,526	701,300
TOTAL ASSETS		653,433	727,192	719,604
CURRENT LIABILITIES				
Payables	29,38	7,058	5,432	5,432
Accrued employee benefits		1,952	1,839	2,103
Interest bearing liabilities and derivatives	30,39,44	1,017	1,920	1,782
Provisions		..	..	..
Other		..	..	..
Total current liabilities		10,027	9,191	9,317
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives	31,40	883	106	106
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		883	106	106
TOTAL LIABILITIES		10,910	9,297	9,423
NET ASSETS/(LIABILITIES)		642,523	717,895	710,181
EQUITY				
TOTAL EQUITY	32,41,45	642,523	717,895	710,181

Controlled cash flow statement

Department of the Premier and Cabinet	Notes	2014-15 Adjusted Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts	46,55,64	159,552	159,525	215,600
User charges and fees	47,56,65	5,378	13,409	23,625
Royalties and land rent receipts		..	..	..
Grants and other contributions	48,66	439	3,138	283
Interest received		..	..	..
Taxes		..	..	..
Other		510	511	4,081
Outflows:				
Employee costs	49,57,67	(53,292)	(58,519)	(67,310)
Supplies and services	50,58,68	(52,741)	(69,040)	(73,337)
Grants and subsidies	51,59,69	(42,477)	(35,032)	(66,551)
Borrowing costs		(81)	(81)	(83)
Other	52,60,70	(299)	(952)	(3,092)
Net cash provided by or used in operating activities		16,989	12,959	33,216
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets	61,71	(764)	(510)	(8,901)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		(764)	(510)	(8,901)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	53,62,72	..	144	8,423
Outflows:				
Borrowing redemptions		(138)	(138)	(138)
Finance lease payments		..	..	..
Equity withdrawals	54,63,73	(21,614)	(14,210)	(31,962)
Net cash provided by or used in financing activities		(21,752)	(14,204)	(23,677)
Net increase/(decrease) in cash held		(5,527)	(1,755)	638
Cash at the beginning of financial year		3,770	4,059	10,822
Cash transfers from restructure		9,483	8,518	..
Cash at the end of financial year		7,726	10,822	11,460

Administered income statement

Department of the Premier and Cabinet	Notes	2014-15 Adjusted Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
INCOME				
Appropriation revenue	74,77,80	74,336	64,890	126,420
Taxes		..	..	..
User charges and fees		..	..	..
Royalties and land rents		..	..	..
Grants and other contributions		..	..	..
Interest		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
Total income		74,336	64,890	126,420
EXPENSES				
Employee expenses	75,78,81	28,930	24,377	24,894
Supplies and services	75,78	16,622	12,780	12,563
Grants and subsidies	76,79,82	28,279	27,290	88,550
Depreciation and amortisation		363	338	308
Finance/borrowing costs		..	..	..
Other expenses		142	105	105
Losses on sale/revaluation of assets		..	..	..
Transfers of Administered Revenue to Government		..	..	..
Total expenses		74,336	64,890	126,420
OPERATING SURPLUS/(DEFICIT)		..	..	..

Administered balance sheet

Department of the Premier and Cabinet	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
CURRENT ASSETS				
Cash assets		9,867	6,166	6,884
Receivables		587	516	516
Other financial assets		..	..	..
Inventories		..	..	..
Other		49	38	38
Non financial assets held for sale		..	..	..
Total current assets		10,503	6,720	7,438
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		778	757	738
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		778	757	738
TOTAL ASSETS		11,281	7,477	8,176
CURRENT LIABILITIES				
Payables		826	662	662
Transfers to Government payable		..	..	..
Accrued employee benefits		762	839	838
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		1,588	1,501	1,500
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits	83,84,85	5,373	1,085	1,785
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		5,373	1,085	1,785
TOTAL LIABILITIES		6,961	2,586	3,285
NET ASSETS/(LIABILITIES)		4,320	4,891	4,891
EQUITY				
TOTAL EQUITY		4,320	4,891	4,891

Administered cash flow statement

Department of the Premier and Cabinet	Notes	2014-15 Budget* \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts	86,89,92	74,336	64,890	126,420
User charges and fees		..	..	..
Royalties and land rent receipts		..	..	..
Grants and other contributions		..	..	..
Interest received		..	..	..
Taxes		..	..	..
Other		..	..	..
Outflows:				
Employee costs	87,90,93	(28,231)	(27,242)	(24,195)
Supplies and services	87,90,93	(16,622)	(12,780)	(12,563)
Grants and subsidies	88,91,94	(28,279)	(27,290)	(88,550)
Borrowing costs		..	..	..
Other		(142)	(105)	(105)
Transfers to Government		..	..	..
Net cash provided by or used in operating activities		1,062	(2,527)	1,007
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets		(344)	(319)	(289)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		(344)	(319)	(289)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		..	..	..
Net increase/(decrease) in cash held		718	(2,846)	718
Cash at the beginning of financial year		9,149	9,012	6,166
Cash transfers from restructure		..	..	..
Cash at the end of financial year		9,867	6,166	6,884

*Technical adjustments have been made in this statement to reallocate amounts between categories and facilitate consistency across agencies.

Explanation of variances in the financial statements

The primary reason for the increase across all variances involving the 2015-16 Budget is the full year effect of the Arts Queensland machinery of government transfer from Department of Science, Information Technology and Innovation. However, further explanation of movements are provided below:

Income statement

Major variations between 2014-15 Adjusted Budget and 2014-15 Estimated Actual include:

1. A decrease in Appropriation revenue primarily due to the department receiving less funding for the depreciation of Cultural Precinct non-land assets, which has been realigned to match the annual depreciation expense. Appropriation revenue also decreased due to the deferral of grant funding to 2015-16, such as a portion for the Anzac Centenary Commemoration (ACC). The decrease is partly offset by additional funding approved post budget formation, including activities associated with hosting G20, reducing Domestic and Family Violence and whole-of-government Media Reporting Services, under the former government.
2. An increase in User charges and fees primarily due to increased usage of the Cultural Precinct car parks and increased rental revenue from Arts Queensland owned buildings.
3. An increase in Grants and other contributions due to additional revenue received for the Queensland Health Renewal Taskforce (QHRT) post budget formation.
4. An increase in Employee expenses primarily due to the activities mentioned above, namely: G20, QHRT and whole-of-government Media Reporting Services, under the former government.
5. An increase in Supplies and services primarily due to the activities mentioned above, namely: G20, activities focussed upon reducing Domestic and Family Violence, QHRT and whole-of-government Media Reporting Services, under the former government.
6. A decrease in Grants and subsidies primarily due to the deferral of some ACC payments to the following financial year.
7. A decrease in Depreciation and amortisation primarily due to the realignment of depreciation rates.
8. An increase in Other expenses primarily due to sponsorships associated with G20 and ACC events.

Major variations between 2014-15 Adjusted Budget and 2015-16 Budget include:

9. An increase in Appropriation revenue primarily due to the full year effect of the machinery of government transfer, the impending Cultural Precinct capital maintenance works, restoration of arts grant funding and additional limited life funding for the Visual Arts & Crafts Strategy (VACS), Backing Indigenous Arts (BIA) and Queensland Art Gallery (QAG) exhibitions and increased funding for activities focussed upon reducing Domestic and Family Violence and Enterprise Bargaining arrangements. The increase is partly offset by a reduction in depreciation funding required for Cultural Precinct non-land assets, completion of G20 activities and less payments associated with ACC legacy projects.
10. An increase in User charges and fees primarily due to additional Cultural Precinct recoverable utilities and rental revenue from Arts Queensland owned buildings in accordance with the terms of leasing arrangements.
11. An increase in Employee expenses primarily due to the activities mentioned above, namely: Enterprise Bargaining arrangements and new positions to deliver the Cultural Precinct capital maintenance works. The increases are partly offset by the completion of G20 activities.
12. An increase in Supplies and services primarily due to delivery of Cultural Precinct capital maintenance works and activities focussed upon reducing Domestic and Family Violence. This is partly offset by the completion of G20 activities.
13. An increase in Grants and subsidies primarily due to restoration of arts grant funding and the additional limited life funding for VACS, BIA and QAG exhibitions partly offset by less payments associated with ACC legacy projects.
14. An increase in Depreciation and amortisation primarily due to the machinery of government transfer, partly offset by the realignment of the depreciation rates of Cultural Precinct non-land assets.
15. An increase in Other expenses primarily due to sponsorships associated with ACC events.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

16. An increase in Appropriation revenue due to the impending Cultural Precinct capital maintenance works, restoration of arts grant funding, additional limited life funding for VACS, BIA and QAG exhibitions, Enterprise Bargaining arrangements and funding received for activities focussed upon reducing Domestic and Family Violence. This is partly offset by the reduction in depreciation funding required for Cultural Precinct non-land assets, completion of G20 activities and less payments associated with ACC legacy projects.
17. An increase in User charges and fees primarily due to additional Cultural Precinct recoverable utilities and rental revenue from Arts Queensland owned buildings in accordance with the terms of leasing arrangements.
18. A decrease in Grants and other contributions primarily due to the completion of QHRT in 2014-15.
19. An increase in Employee expenses primarily due to Enterprise Bargaining arrangements and new positions to deliver the Cultural Precinct capital maintenance works partly offset by the completion of G20 activities and QHRT in 2014-15.
20. An increase in Supplies and services primarily due to activities focussed upon reducing Domestic and Family Violence, impending Cultural Precinct capital maintenance works and increased utilities expenditure, partly offset by the completion of G20 activities and QHRT.
21. An increase in Grants and subsidies primarily due to additional expenditure to restore arts grant funding and additional limited life expenditure for VACS, BIA and QAG exhibitions, partly offset by less payments associated with ACC legacy projects.
22. An increase in Depreciation and amortisation primarily due to the machinery of government transfer partly offset by the funding realignment of Cultural Precinct non-land assets to match the annual depreciation expense.
23. An increase in Other expenses primarily due to sponsorships associated with ACC events.

Balance sheet

Major variations between 2014-15 Adjusted Budget and 2014-15 Estimated Actual include:

24. A decrease in Current receivables primarily due to a reduction in GST receivables as part of increased maintenance purchases made in late 2013-14, offset by the Revolving Film Finance Fund's (RFFF) net increases from new loans, repayments, capitalised interest and reclassification between non-current and current.
25. A decrease in Inventories due to reduced stock levels in the Protocol gift shop and the Centres of Contemporary Arts.
26. A decrease in Non-current receivables primarily due to RFFF reclassification from non-current to current as loans reach maturity.
27. An increase in Property, plant and equipment primarily due to a revaluation of land assets in 2014-15.
28. A decrease in Intangibles primarily due to the decommissioning of software systems following the transition to an 'Infrastructure as a Service' information and communication technology environment. This is partly offset by the capitalisation of the eLegislation system and the Performance Information Management System as well as an upgrade of the records management system.
29. A decrease in Payables primarily due to the timing of expenditure relating to the Arts Queensland capital maintenance program.
30. An increase in Current interest bearing liabilities and derivatives primarily due to RFFF movements including new loans, repayments, capitalised interest and reclassification between non-current and current.
31. A decrease in Non-current interest bearing liabilities and derivatives primarily due to RFFF movements including repayments, capitalised interest and reclassification between non-current and current.
32. An increase in Total equity primarily due to a comprehensive revaluation of land assets in 2014-15.

Major variations between 2014-15 Adjusted Budget and 2015-16 Budget include:

33. A decrease in Current receivables primarily due a reduction in GST receivables offset by the RFFF net increases from new loans, repayments, capitalised interest and reclassification between non-current and current.
34. A decrease in Inventories due to reduced stock levels in the Protocol gift shop and the Centres of Contemporary Arts.
35. A decrease in Non-current receivables primarily due to RFFF movements including repayments and reclassification between non-current and current as loans become closer to their respective dates of maturity.

36. An increase in Property, plant and equipment primarily due to a comprehensive revaluation of land assets in 2014-15 as well as the construction of an ACC legacy project at the Queensland Museum.
37. A decrease in Intangibles primarily due to the decommissioning of software systems following the transition to an 'Infrastructure as a Service' information and communication technology environment in 2014-15. This is partly offset by capitalisation of the eLegislative system, the Performance Information Management System and upgrade of the records management system.
38. A decrease in Payables primarily due to the timing of expenditure relating to the capital maintenance program.
39. An increase in Current interest bearing liabilities and derivatives primarily due to RFFF movements including new loans, repayments, capitalised interest and reclassification between non-current and current as loans become closer to their respective dates of maturity.
40. The decrease in Non-current interest bearing liabilities and derivatives primarily due to RFFF movements including repayments, capitalised interest and reclassification between non-current and current.
41. An increase in Total equity primarily due to a comprehensive revaluation of land assets in 2014-15 as well as an expected increase from the 2015-16 asset revaluation.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

42. A decrease in Property, plant and equipment primarily due to depreciation, which is partly offset by the construction of a ACC legacy project at the Queensland Museum.
43. A decrease in Intangibles primarily due to the accumulation of amortisation on software systems.
44. A decrease in Current interest bearing liabilities and derivatives primarily due to the reclassification between non-current and current as loans become closer to their respective dates of maturity.
45. A decrease in Total equity primarily due to an expected increase from the 2015-16 asset revaluation.

Cash flow statement

Major variations between 2014-15 Adjusted Budget and 2014-15 Estimated Actual include:

46. A decrease in Appropriation receipts primarily due to the department receiving less funding for the depreciation of Cultural Precinct non-land assets, which has been realigned to match the annual depreciation costs. Appropriation receipts also decreased due to the deferral of grant funding to 2015-16, such as a portion for the ACC. The decrease is partly offset by the appropriation receivable and additional funding approved post budget formation, including for activities associated with hosting G20, reducing Domestic and Family Violence and whole-of-government Media Reporting Services, under the former government.
47. An increase in User charges and fees primarily due to increased usage of the Cultural Precinct car parks and increased rental receipts from Arts Queensland owned buildings as well as lower outstanding receivable balances at year end.
48. An increase in Grants and other contributions due to additional revenue received for QHRT post budget formation.
49. An increase in Employee costs primarily due to the activities mentioned above, namely: G20, QHRT and whole-of-government Media Reporting Services, under the former government.
50. An increase in Supplies and services primarily due to the activities mentioned above, namely: G20, activities focussed upon reducing Domestic and Family Violence, QHRT and whole-of-government Media Reporting Services, under the former government as well as lower payables balances at year end.
51. A decrease in Grants and subsidies primarily due to the deferral of some ACC payments to the following financial year.
52. An increase in Other operating outflows primarily due to sponsorships associated with G20 and ACC events.
53. An increase in Equity injections due to the creation of a new permanent Anzac Legacy Gallery at the Queensland Museum.
54. A decrease in Equity withdrawals due the department aligning cash transfers to the revised depreciation rates.

Major variations between 2014-15 Adjusted Budget and 2015-16 Budget include:

55. An increase in Appropriation receipts primarily due to the full year effect of the machinery of government transfer, the impending Cultural Precinct capital maintenance works, restoration of arts grant funding and additional limited life funding for VACS, BIA and QAG exhibitions and increased funding for activities focussed upon reducing Domestic and Family Violence and Enterprise Bargaining arrangements. The increase is partly offset by a reduction in depreciation funding required for Cultural Precinct non-land assets, completion of G20 activities and less payments associated with ACC legacy projects.
56. An increase in User charges and fees primarily due to additional Cultural Precinct recoverable utilities and rental receipts from Arts Queensland owned buildings in accordance with the terms of leasing arrangements and lower outstanding receivable balances at year end.
57. An increase in Employee costs primarily due to those activities mentioned above, namely: Enterprise Bargaining arrangements and new positions to deliver the Cultural Precinct capital maintenance works. The increases are partly offset by the completion of G20 activities.
58. An increase in Supplies and services primarily due to delivery of Cultural Precinct capital maintenance works, activities focussed upon reducing Domestic and Family Violence and lower payables balances at year end. This is partly offset by the completion of G20 activities.
59. An increase in Grants and subsidies primarily due to restoration of arts grant funding and the additional limited life funding for VACS, BIA and QAG exhibitions partly offset by less payments associated with ACC legacy projects.
60. An increase in Other operating outflows primarily due to sponsorships associated with ACC events.
61. An increase in Payments for non financial assets primarily due to the renewal and replacement of large critical infrastructure items at the Cultural Precinct and creation of a new permanent Anzac Legacy Gallery at the Queensland Museum.
62. An increase in Equity injections primarily due to the renewal and replacement of large critical infrastructure items at the Cultural Precinct and creation of a new permanent Anzac Legacy Gallery at the Queensland Museum.
63. An increase in Equity withdrawals primarily due to the machinery of government transfer, partly offset by the realignment of the depreciation rates of Cultural Precinct non-land assets.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

64. An increase in Appropriation receipts due to the impending Cultural Precinct capital maintenance works, restoration of arts grant funding, additional limited life funding for VACS, BIA and QAG exhibitions, Enterprise Bargaining arrangements and funding received for activities focussed upon reducing Domestic and Family Violence. This is partly offset by the reduction in depreciation funding required for Cultural Precinct non-land assets, completion of G20 activities and less payments associated with ACC legacy projects.
65. An increase in User charges and fees primarily due to additional Cultural Precinct recoverable utilities rental receipts from Arts Queensland owned buildings in accordance with the terms of leasing arrangements.
66. A decrease in Grants and other contributions primarily due to the completion of QHRT in 2014-15.
67. An increase in Employee costs primarily due to Enterprise Bargaining arrangements and new positions to deliver the Cultural Precinct capital maintenance works partly offset by the completion of G20 activities and QHRT in 2014-15.
68. An increase in Supplies and services primarily due to activities focussed upon reducing Domestic and Family Violence, impending Cultural Precinct capital maintenance works and increased utilities costs, partly offset by the completion of G20 activities and QHRT.
69. An increase in Grants and subsidies primarily due to additional costs to restore arts grant funding and additional limited life expenditure for VACS, BIA and QAG exhibitions, partly offset by less payments associated with ACC legacy projects.
70. An increase in Other operating outflows primarily due to sponsorships associated with ACC events.
71. An increase in Payments for non financial assets primarily due to the renewal and replacement of large critical infrastructure items at the Cultural Precinct and creation of a new permanent Anzac Legacy Gallery at the Queensland Museum.
72. An increase in Equity injections primarily due to the renewal and replacement of large critical infrastructure items at the Cultural Precinct and creation of a new permanent Anzac Legacy Gallery at the Queensland Museum.
73. An increase in Equity withdrawals primarily due to the machinery of government transfer, partly offset by the realignment of the depreciation rates of Cultural Precinct non-land assets.

Administered income statement

Major variations between 2014-15 Adjusted Budget and 2014-15 Estimated Actual include:

74. A decrease in Appropriation revenue primarily due to reorganisation of Ministerial Offices after the change of government and deferral of funding from 2014-15 to 2015-16 associated with the Queensland Family and Child Commission (QFCC) public education, evaluation framework and new records management system.
75. A decrease in Employee expenses and Supplies and Services primarily due to the Premier's election commitment to reduce the number of Ministers and Ministerial offices.
76. A decrease in Grants and subsidies due to deferral of funding from 2014-15 to 2015-16 associated with the QFCC public education, evaluation framework and new records management system.

Major variations between 2014-15 Adjusted Budget and 2015-16 Budget include:

77. An increase in Appropriation revenue primarily due to Enterprise Bargaining arrangements as well as additional funding provided to the QFCC to develop a customer service directory and workforce strategy and the deferred funding from 2014-15 for public education, an evaluation framework and a new records management system; Queensland Performing Arts Trust for the Out of the Box Festival; and to Screen Queensland. This is partly offset by the reorganisation of Ministerial offices after the change of Government.
78. A decrease in Employee expenses and Supplies and services primarily due to the Premier's election commitment to reduce the number of Ministers and Ministerial offices.
79. An increase in Grants and subsidies due to the machinery of government transfer, additional funding provided to statutory bodies for Enterprise Bargaining arrangements as well as to QFCC to develop a customer services directory, workforce strategy, public education, an evaluation framework and a new records management system; Queensland Performing Arts Trust for the Out of the Box Festival; and to Screen Queensland.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

80. An increase in Appropriation revenue primarily due to the full year effect of the machinery of government transfer, additional funding provided to statutory bodies for Enterprise Bargaining arrangements, as well as to QFCC to develop a customer services directory, workforce strategy, public education, an evaluation framework and a new records management system; Queensland Performing Arts Trust for the Out of the Box Festival and to Screen Queensland.
81. An increase in Employee expenses primarily due to Enterprise Bargaining arrangements.
82. An increase in Grants and subsidies due to the machinery of government transfer, additional funding provided to statutory bodies for Enterprise Bargaining arrangements as well as to QFCC to develop a customer services directory, workforce strategy, public education, an evaluation framework and a new records management system; Queensland Performing Arts Trust for the Out of the Box Festival; and to Screen Queensland.

Administered balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

83. A decrease in Non-current accrued employee benefits primarily due to severance payments following the change of Government in February 2015.

Major variations between 2014-15 Budget and 2015-16 Budget include:

84. A decrease in Non-current accrued employee benefits primarily due to severance payments following the change of Government in February 2015.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

85. An increase in Non-current accrued employee benefits primarily due to providing severance payments for Ministerial Office employees in accordance with standard employment conditions.

Administered cash flow statement

Major variations between 2014-15 Budget* and 2014-15 Estimated Actual include:

- 86. A decrease in Appropriation receipts primarily due to reorganisation of Ministerial offices after the change of government and deferral of funding from 2014-15 to 2015-16 associated with the QFCC public education, evaluation framework and new records management system.
- 87. A decrease in Employee Costs and Supplies and Services primarily due to the Premier's election commitment to reduce the number of Ministers and Ministerial offices.
- 88. A decrease in Grants and subsidies due to deferral of funding from 2014-15 to 2015-16 associated with the QFCC public education, evaluation framework and new records management system.

Major variations between 2014-15 Budget* and 2015-16 Budget include:

- 89. An increase in Appropriation receipts primarily due to the machinery of government transfer, Enterprise Bargaining arrangements as well as additional cash provided to the QFCC to develop a customer service directory and workforce strategy and the deferred funding from 2014-15 for public education, an evaluation framework and a new records management system; Queensland Performing Arts Trust for the Out of the Box Festival; and to Screen Queensland. This is partly offset by the reorganisation of Ministerial offices after the change of Government.
- 90. A decrease in Employee costs and Supplies and Services primarily due to the Premier's election commitment to reduce the number of Ministers and Ministerial offices.
- 91. An increase in Grants and subsidies due to the machinery of government transfer, additional funding provided to statutory bodies for Enterprise Bargaining arrangements as well as to QFCC to develop a customer services directory, workforce strategy, public education, an evaluation framework and a new records management system; Queensland Performing Arts Trust for the Out of the Box Festival; and to Screen Queensland.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

- 92. An increase in Appropriation receipts primarily due to the full year effect of the machinery of government transfer, additional funding provided to statutory bodies for Enterprise Bargaining arrangements, as well as to QFCC to develop a customer services directory, workforce strategy, public education, an evaluation framework and a new records management system; Queensland Performing Arts Trust for the Out of the Box Festival; and to Screen Queensland.
- 93. A decrease in Employee costs and Supplies and Services primarily due to the Premier's election commitment to reduce the number of Ministers and Ministerial offices.
- 94. An increase in Grants and subsidies due to the machinery of government transfer, additional funding provided to statutory bodies for Enterprise Bargaining arrangements as well as to QFCC to develop a customer services directory, workforce strategy, public education, an evaluation framework and a new records management system; Queensland Performing Arts Trust for the Out of the Box Festival; and to Screen Queensland.

Reporting Entity Financial Statements

Reporting Entity comprises:

- Department of the Premier and Cabinet (excluding Administered);
- Corporate Administration Agency.

Reporting entity income statement

Department of the Premier and Cabinet	Notes	2014-15 Adjusted Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
INCOME				
Appropriation revenue		159,552	157,950	215,600
Taxes	
User charges and fees		9,150	11,122	31,756
Royalties and land rents	
Grants and other contributions		439	3,136	364
Interest	
Other revenue		6	9	228
Gains on sale/revaluation of assets	
Total income		169,147	172,217	247,948
EXPENSES				
Employee expenses		56,001	60,794	74,963
Supplies and services		51,061	63,685	71,155
Grants and subsidies		42,640	35,195	66,551
Depreciation and amortisation		19,316	11,855	33,101
Finance/borrowing costs		31	31	83
Other expenses		267	826	2,095
Losses on sale/revaluation of assets	
Total expenses		169,316	172,386	247,948
Income tax expense/revenue	
OPERATING SURPLUS/(DEFICIT)		(169)	(169)	..

Reporting entity balance sheet

Department of the Premier and Cabinet	Notes	2014-15 Adjusted Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
CURRENT ASSETS				
Cash assets		10,859	14,433	15,120
Receivables		8,856	7,527	7,527
Other financial assets	
Inventories		81	38	38
Other		931	870	870
Non financial assets held for sale	
Total current assets		20,727	22,868	23,555
NON-CURRENT ASSETS				
Receivables		932	130	130
Other financial assets	
Property, plant and equipment		632,542	707,876	700,039
Deferred tax assets	
Intangibles		4,034	1,933	1,495
Other	
Total non-current assets		637,508	709,939	701,664
TOTAL ASSETS		658,235	732,807	725,219
CURRENT LIABILITIES				
Payables		7,413	6,171	6,171
Current tax liabilities	
Accrued employee benefits		2,154	2,093	2,357
Interest bearing liabilities and derivatives		1,017	1,920	1,782
Provisions	
Other		23	223	223
Total current liabilities		10,607	10,407	10,533
NON-CURRENT LIABILITIES				
Payables	
Deferred tax liabilities	
Accrued employee benefits	
Interest bearing liabilities and derivatives		883	106	106
Provisions	
Other	
Total non-current liabilities		883	106	106
TOTAL LIABILITIES		11,490	10,513	10,639
NET ASSETS/(LIABILITIES)		646,745	722,294	714,580
EQUITY				
TOTAL EQUITY		646,745	722,294	714,580

Reporting entity cash flow statement

Department of the Premier and Cabinet	Notes	2014-15 Adjusted Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts		159,552	159,525	215,600
User charges and fees		8,572	16,422	32,134
Royalties and land rent receipts	
Grants and other contributions		439	3,136	364
Interest received	
Taxes	
Other		293	239	4,092
Outflows:				
Employee costs		(56,203)	(61,217)	(74,699)
Supplies and services		(51,796)	(68,974)	(74,175)
Grants and subsidies		(42,477)	(35,032)	(66,551)
Borrowing costs		(81)	(81)	(83)
Taxation equivalents paid	
Other		(299)	(180)	(3,317)
Net cash provided by or used in operating activities		18,000	13,838	33,365
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets	
Investments redeemed	
Loans and advances redeemed	
Outflows:				
Payments for non financial assets		(885)	(631)	(9,001)
Payments for investments	
Loans and advances made	
Net cash provided by or used in investing activities		(885)	(631)	(9,001)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings	
Equity injections		..	144	8,423
Outflows:				
Borrowing redemptions		(138)	(138)	(138)
Finance lease payments	
Equity withdrawals		(21,614)	(14,210)	(31,962)
Dividends paid	
Net cash provided by or used in financing activities		(21,752)	(14,204)	(23,677)
Net increase/(decrease) in cash held		(4,637)	(997)	687
Cash at the beginning of financial year		3,770	4,059	14,433
Cash transfers from restructure		11,726	11,371	..
Cash at the end of financial year		10,859	14,433	15,120

Shared service provider

Corporate Administration Agency

Overview

The Corporate Administration Agency (CAA) provides corporate services under Service Level Agreements (SLAs) to Queensland public sector entities, principally statutory bodies. Services provided by CAA include human resource (HR) management and HR consulting, payroll and recruitment services; financial management and transactional services; and information management services, including information technology and business systems. CAA operates in a dynamic market, as machinery of government arrangements have significant and recurring impacts on our resourcing model.

CAA's key objective is to assist its customers in the furtherance of their business goals by providing economic and effective services. CAA's operational planning focuses on engagement with customers to identify innovations to improve the delivery and cost of services. CAA is actively involved in assessing 'as a service' options as a cost effective delivery vehicle and one that builds on the expertise of other providers.

Service performance

Key strategic drivers for CAA include continued business innovation and improvement, through effective customer engagement and strategic business alliances and partnerships that are supported by strong governance of business operations, products and services and development of high performing specialist teams. The purchaser-provider relationship is assisted and developed beyond the SLAs through regular meetings of Heads of Corporate Services and provision and analysis of quarterly performance reports, user group forums and annual satisfaction survey of customers.

As part of its service delivery during recent years, CAA:

- transitioned six new customers into SLAs and assisted six customers to transition to other arrangements, as part of machinery of government changes
- undertook process mapping and reviews for each major business function, that provided a detailed Business Process Library, and identified areas of focus for innovation and improvement in relation to automation and functionality
- conducted application health checks for both the human resource and finance systems, with no major issues identified
- through efficiency and improved business processes reduced the cost and price of payroll processing by eight per cent
- developed and conducted a number of Reasonable Management Action training courses for managers and supervisors within CAA, our customer base and other interested Queensland Government agencies. This program, focused on building line manager HR capability, was very well received by customer participants who provided very positive feedback.

In 2015-16, CAA will:

- provide value for money and enhanced services to its customers, with a continued focus on innovation and automation of business processes and responsible fiscal and resource management
- develop and align business planning with the government's strategic direction and objectives
- develop staff capability to enhance customer engagement and satisfaction through targeted internal leadership development and customer service training
- deliver better access for customers to data and information through the implementation of enhanced self-service and mobility facilities through mobile phone, tablets and the internet.

Service performance

Performance statement

Corporate Administration Agency

Service area objective

To meet our customers' corporate service requirements through the provision of contemporary innovative service delivery options, easy and convenient access to business applications.

Service area description

The CAA provides corporate services to Queensland public sector entities that are principally small to medium statutory bodies. CAA also provides ad hoc services to other government entities as requested. The CAA charges customers on a full cost recovery basis with fees to the customers being based upon their relative usage of the resources used by the CAA to deliver the service.

Corporate Administration Agency	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards				
<i>Effectiveness measures</i>				
Customer satisfaction with CAA services	1,5	80%	92%	90%
Percentage of customer services delivered within agreed standards (time and costs)	2,5	95%	95%	95%
<i>Efficiency measures</i>				
CAA Operating surplus/(deficit)	3,5	breakeven	breakeven	breakeven
CAA annual unit pricing does not exceed CPI	4	New measure	New measure	90%

Notes:

1. This service standard informs on overall satisfaction levels with the availability, quality, timeliness and support provided by CAA derived from its annual customer survey. This result conforms with DPC's assessment methodology.
2. This service standard indicates CAA's effectiveness in meeting service obligations, as outlined in customer service level agreements and reported quarterly to customers.
3. This measure indicates CAA's performance in meeting the Government's financial objectives. CAA actively seeks to engage with new and current customers to support its revenue base, whilst managing expenses in alignment with revenue.
4. This service standard informs the percentage of services offered by CAA will not increase above CPI and indicates that CAA is managing its resources to provide economic pricing to customers.
5. This service standard was previously reported in the DSITIA 2014-15 Service Delivery Statement.

Staffing¹

Corporate Administration Agency	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
Corporate Administration Agency	1, 2	67	67	67

Notes:

1. Full-time equivalents (FTEs) as at 30 June. CAA's FTE may change.
2. CAA is negotiating with a new customer (TAFE Queensland) regarding delivery of financial transactional services – dependant on the final agreement, CAA may be required to grow the temporary staffing base to meet demand.

Income statement

Corporate Administration Agency	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
INCOME				
User charges and fees		10,161	9,980	10,404
Grants and other contributions		83	81	81
Interest		..	..	..
Other revenue	1,6	11	54	11
Gains on sale/revaluation of assets		..	..	..
Total income		10,255	10,115	10,496
EXPENSES				
Employee expenses	7	7,213	7,000	7,389
Supplies and services	2,4	2,542	2,747	2,733
Grants and subsidies		..	..	..
Depreciation and amortisation	3,5	280	148	149
Finance/borrowing costs		..	..	..
Other expenses		220	220	225
Losses on sale/revaluation of assets		..	..	..
Total expenses		10,255	10,115	10,496
OPERATING SURPLUS/(DEFICIT)		..	..	..

Balance sheet

Corporate Administration Agency	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
CURRENT ASSETS				
Cash assets		3,133	3,611	3,660
Receivables	8,14	916	1,179	1,179
Other financial assets		..	..	..
Inventories		..	..	..
Other	9,15	378	412	412
Non financial assets held for sale		..	..	..
Total current assets		4,427	5,202	5,251
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	10,19	375	413	364
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		375	413	364
TOTAL ASSETS		4,802	5,615	5,615
CURRENT LIABILITIES				
Payables	11,16	355	739	739
Accrued employee benefits	12,17	202	254	254
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	13,18	23	223	223
Total current liabilities		580	1,216	1,216
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	..	..
TOTAL LIABILITIES		580	1,216	1,216
NET ASSETS/(LIABILITIES)		4,222	4,399	4,399
EQUITY				
TOTAL EQUITY		4,222	4,399	4,399

Cash flow statement

Corporate Administration Agency	Notes	2014-15 Budget* \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees		10,161	9,980	10,404
Grants and other contributions		83	81	81
Interest received		..	..	..
Other	20,24	68	54	11
Outflows:				
Employee costs	25	(7,213)	(7,000)	(7,389)
Supplies and services	21,22	(1,827)	(2,747)	(2,733)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(992)	(220)	(225)
Net cash provided by or used in operating activities		280	148	149
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets	23,26	(125)	(125)	(100)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		(125)	(125)	(100)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		..	..	..
Net increase/(decrease) in cash held		155	23	49
Cash at the beginning of financial year		2,978	3,588	3,611
Cash transfers from restructure		..	..	..
Cash at the end of financial year		3,133	3,611	3,660

*Technical adjustments have been made in this statement to reallocate amounts between categories and facilitate consistency across agencies.

Explanation of variances in the financial statements

Income statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

1. An increase in Other revenue primarily due to the reimbursement of expenses.
2. An increase in Supplies and services primarily due to expenses associated with the implementation of new customers and services.
3. A decrease in Depreciation and amortisation due to the decommissioning of non-current assets, resulting in a reduced depreciation and amortisation charge to remaining assets.

Major variations between 2014-15 Budget and 2015-16 Budget include:

4. An increase in Supplies and services primarily due to expenses associated with the implementation of new customers and services.
5. A decrease in Depreciation and amortisation due to the decommissioning of non-current assets, resulting in a reduced depreciation and amortisation charge to remaining assets.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

6. A decrease in Other revenue primarily due to a lesser reimbursement of expenses.
7. An increase in Employee expenses primarily due to Enterprise Bargaining arrangements and reduced vacancy transition times.

Balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

8. An increase in Receivables primarily due to the movement in the Annual Leave Central Scheme receivable.
9. An increase in Other current assets due to the movement in prepaid expenses.
10. An increase in Property, plant and equipment primarily due to the net movement following the decommissioning of non-current assets in the prior year. The net movement included the write-off of gross assets, the write back of accumulated depreciation and a reduced depreciation expense for the remaining non-current assets.
11. An increase in Payables primarily due to expenses associated with the implementation of new customers and services.
12. An increase in Accrued employee benefits primarily due to entitlements payable to QSuper and accrued payroll expense.
13. An increase in Other current liabilities due to unearned revenue for work in progress for customers.

Major variations between 2014-15 Budget and 2015-16 Budget include:

14. An increase in Receivables primarily due to the movement in the Annual Leave Central Scheme receivable.
15. An increase in Other current assets due to the movement in prepaid expenses.
16. An increase in Payables primarily due to expenses associated with the implementation of new customers and services.
17. An increase in Accrued employee benefits primarily due to entitlements payable to QSuper and accrued payroll expense
18. An increase in Other current liabilities due to unearned revenue for work in progress for customers.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

19. A decrease in Property, plant and equipment due to the depreciation expense for the 2015-16 Budget offset by purchases.

Cash flow statement

Major variations between 2014-15 Budget* and 2014-15 Estimated Actual include:

- 20. A decrease in Other inflows primarily due to reimbursements.
- 21. An increase in Supplies and services primarily due to the implementation of new customers and services.

Major variations between 2014-15 Budget* and 2015-16 Budget include:

- 22. An increase in Supplies and services primarily due to the implementation of new customers and services.
- 23. A decrease in Payments for non financial assets primarily due to the gradual progression of the `Infrastructure as a Service` model.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

- 24. A decrease in Other inflows primarily due to lesser reimbursements.
- 25. An increase in Employee costs primarily due to Enterprise Bargaining arrangements and reduced vacancy transition times.
- 26. A decrease in Payments for non financial assets primarily due to the gradual progression of the `Infrastructure as a Service` model.

Statutory body

Queensland Family and Child Commission

Overview

The Queensland Family and Child Commission (QFCC) promotes the safety and wellbeing of Queensland's children and young people and the role of families and communities in protecting and caring for them. This includes a strong focus on representing the interests of Aboriginal and Torres Strait Islander children, families and communities. The QFCC contributes to the Queensland Government's objectives of building safe, caring and connected communities and also provides information on the performance of the child protection system to Government and the Queensland community.

Established on 1 July, 2014 under the *Family and Child Commission Act 2014*, the QFCC is a statutory body working to achieve the objectives of:

- supporting a high quality, evidence-based Queensland child protection and family support system
- strengthening partnerships and collaboration between government and non-government organisations to achieve better outcomes for children and families
- educating Queensland families and communities on their role in keeping children and young people safe in the home and informing them about the resources available to assist them.

The QFCC has been established in the context of significant change in the child protection system resulting from the Queensland Child Protection Commission of Inquiry.

Service performance

In its first year of operation, the QFCC has undertaken the following activities to support its overarching mandate:

- launched the first phase of the 'Talking Families' social marketing campaign to help educate families and communities about their role in keeping children and young people safe in the home
- developed a framework to guide the evaluation of the child protection reforms
- commenced partnerships with government and non-government organisations and service providers to assess opportunities to build capacity, skill and knowledge
- developed the business requirements for a Community Services Directory, which will allow families and professional service providers easier access to services that can support them
- maintained a register of child deaths in Queensland and reported on those deaths to the Premier. The Annual Report: Deaths of children and young people Queensland 2013–14 was tabled in Queensland Parliament on 26 November 2014. The annual report can be accessed on QFCC's website.

Looking ahead, the QFCC will continue to work towards implementing its strategic objectives in 2015-16 by:

- taking the learnings from the first phase of the Talking Families campaign and applying them to subsequent phases of the public education campaign
- partnering with the Department of Communities, Child Safety and Disability Services to implement a Community Services Directory
- developing and implementing sector-wide cultural change management with the child protection Reform Leaders Group
- leading the development of a cross-sector Workforce Planning and Development Strategy
- leading the development of a Capacity Building and Governance Strategy for non-government agencies
- developing a three year rolling research program, which will contribute to knowledge and practice in child protection
- supporting agencies to implement evaluations relating to the child protection reforms in accordance with the framework
- maintaining a register of child deaths in Queensland and reporting annually on those deaths

- developing key resources and information for children and families to assist their understanding of the child protection system and their rights within that system.

Service performance

Performance statement

Queensland Family and Child Commission

Service area objective

Promote the safety, wellbeing and best interests of children and young people.

Service area description

The Queensland Family and Child Commission (QFCC) promotes the safety and wellbeing of Queensland's children and young people and the role of families and communities in protecting and caring for them. These services include:

- providing public education to help families and communities understand their role and responsibilities in protecting and caring for children and young people
- supporting the development of strong partnerships between government and non-government service providers and academic experts aimed to improve the delivery of the child protection services in Queensland
- working with non-government service providers to help build knowledge, skills and capabilities of the organisations and workforces in Queensland's child protection system, particularly those with limited resources
- providing expert views and advice on current research and child protection best practice
- monitoring, reviewing and reporting on the performance of the Queensland child protection system in line with the National Framework for Protecting Australia's Children 2009-2020.

Queensland Family and Child Commission	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards <i>Effectiveness measures</i> Public awareness of the 'Talking Families' advertising campaign	1	New measure	New measure	60%
<i>Efficiency measures</i>	2			

Notes:

1. This service standard informs on the percentage of the Queensland public who are aware of the 'Talking Families' advertising campaign.
2. An efficiency measure is being developed for this service and will be included in a future Service Delivery Statement.

Staffing¹

Queensland Family and Child Commission	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
Queensland Family and Child Commission		42	42	42

Note:

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

Income statement

Queensland Family and Child Commission	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
INCOME				
Taxes		..	..	..
User charges and fees		..	..	..
Grants and other contributions	1,4,7	10,534	9,484	11,722
Interest		..	50	30
Other revenue		..	60	..
Gains on sale/revaluation of assets		..	..	..
Total income		10,534	9,594	11,752
EXPENSES				
Employee expenses	2,5,8	4,949	4,697	5,058
Supplies and services	3,6,9	5,380	4,651	6,416
Grants and subsidies		..	..	..
Depreciation and amortisation		185	226	257
Finance/borrowing costs		..	..	..
Other expenses		20	20	21
Losses on sale/revaluation of assets		..	..	..
Total expenses		10,534	9,594	11,752
OPERATING SURPLUS/(DEFICIT)		..	..	..

Balance sheet

Queensland Family and Child Commission	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
CURRENT ASSETS				
Cash assets	10,16,22	975	408	678
Receivables		28	57	55
Other financial assets		..	..	..
Inventories		..	..	..
Other		..	..	..
Non financial assets held for sale		..	..	..
Total current assets		1,003	465	733
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	11,17	..	248	221
Intangibles	12,18,23	784	1,202	972
Other		..	..	..
Total non-current assets		784	1,450	1,193
TOTAL ASSETS		1,787	1,915	1,926
CURRENT LIABILITIES				
Payables	13,19	176	120	124
Accrued employee benefits	14,20	464	169	176
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		640	289	300
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	..	..
TOTAL LIABILITIES		640	289	300
NET ASSETS/(LIABILITIES)		1,147	1,626	1,626
EQUITY				
TOTAL EQUITY	15,21	1,147	1,626	1,626

Cash flow statement

Queensland Family and Child Commission	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees		..	..	..
Grants and other contributions	24,26,28	10,534	9,484	11,722
Interest received		..	50	30
Taxes		..	..	..
Other		314	368	325
Outflows:				
Employee costs		(5,065)	(5,007)	(5,051)
Supplies and services	27,29	(5,721)	(5,607)	(6,740)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(2)	(9)	(16)
Net cash provided by or used in operating activities		60	(721)	270
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets	25,30	..	(434)	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		..	(434)	..
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	205	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		..	205	..
Net increase/(decrease) in cash held		60	(950)	270
Cash at the beginning of financial year		..	..	408
Cash transfers from restructure		915	1,358	..
Cash at the end of financial year		975	408	678

Explanation of variances in the financial statements

Income statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

1. A decrease in Grants and other contributions due to deferral of grant funding from 2014-15 to 2015-16.
2. A decrease in Employee expenses primarily due to a number of positions remaining unfilled during the 2014-15 financial year.
3. A decrease in Supplies and services primarily due to deferral of program expenditure to the 2015-16 financial year and capitalisation of expenditure for the HP Records Management system.

Major variations between 2014-15 Budget and 2015-16 Budget include:

4. An increase in Grants and other contributions primarily due to new funding to develop a Customer Services Directory and Workforce Strategy and deferral of grant funding from 2014-15 to 2015-16, offset by a reduction in the level of annual funding for the Public Education campaign.
5. An increase in Employee expenses primarily due to salary increases under the core Enterprise Bargaining agreement.
6. An increase in Supplies and services primarily due to development of a Customer Services Directory and Workforce Strategy and deferral of program expenditure from the 2014-15 financial year.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

7. An increase in Grants and other contributions primarily due to new funding to develop a Customer Services Directory and Workforce Strategy and deferral of grant funding from 2014-15 to 2015-16, offset by a reduction in the level of annual funding for the Public Education campaign and for Supplies and services.
8. An increase in Employee expenses primarily due to a number of positions remaining unfilled during the 2014-15 financial year now filled or being filled, together with salary increases under the core Enterprise Bargaining agreement.
9. An increase in Supplies and services primarily due to development of a Customer Services Directory and Workforce Strategy, deferral of program expenditure from the 2014-15 financial year and capitalisation of expenditure for the HP Records Management system in 2014-15.

Balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

10. A decrease in Cash assets primarily due to cash to fund recreation leave liabilities being transferred to the Annual Leave Central Scheme.
11. An increase in Property, plant and equipment due to the transfer in of a lease fit-out asset from the Commission for Children and Young People and Child Guardian upon cessation of that entity.
12. An increase in Intangibles due to capitalisation of expenditure incurred on the HP Records Management system.
13. A decrease in Current payables due to a decrease in estimated actual trade creditors at 2014-15 financial year end.
14. A decrease in Accrued employee benefits primarily due to recreation leave liabilities being transferred to the Annual Leave Central Scheme.
15. An increase in Total equity includes the transfer in of a lease fit-out asset from the Commission for Children and Young People and Child Guardian upon cessation of that entity.

Major variations between 2014-15 Budget and 2015-16 Budget include:

16. A decrease in Cash assets primarily due to cash to fund recreation leave liabilities being transferred to the Annual Leave Central Scheme.
17. An increase in Property, plant and equipment due to the transfer in of a lease fit-out asset from the Commission for Children and Young People and Child Guardian upon cessation of that entity.

18. An increase in Intangibles due to capitalisation of expenditure incurred to implement the HP Records Management system in the 2014-15 financial year.
19. A decrease in Current payables due to a decrease in estimated actual trade creditors at 2015-16 financial year end compared with 2014-15 budget.
20. A decrease in Accrued employee benefits primarily due to recreation leave liabilities being transferred to the Annual Leave Central Scheme in 2014-15.
21. An increase in Total equity includes the transfer in of a lease fit-out asset from the Commission for Children and Young People and Child Guardian upon cessation of that entity.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

22. An increase in Cash assets primarily due to expenditure of a non-cash nature for depreciation and amortisation in the 2015-16 financial year.
23. A decrease in Intangibles due to amortisation during the 2015-16 financial year of the EGIS Child Death Register and the HP Records Management system.

Cash flow statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

24. A decrease in Grants and other contributions due to deferral of grant funding from 2014-15 to 2015-16.
25. An increase in Payments for non financial assets due to purchase of the HP Records Management system in the 2014-15 financial year.

Major variations between 2014-15 Budget and 2015-16 Budget include:

26. An increase in Grants and other contributions primarily due to new funding to develop a Customer Services Directory and Workforce Strategy and deferral of grant funding from 2014-15 to 2015-16, offset by a reduction in the level of annual funding for the Public Education campaign and for Supplies and services.
27. An increase in Supplies and services primarily due to development of a Customer Services Directory and Workforce Strategy and deferral of program expenditure from the 2014-15 financial year.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

28. An increase in Grants and other contributions primarily due to new funding to develop a Customer Services Directory and Workforce Strategy and deferral of grant funding from 2014-15 to 2015-16, offset by a reduction in the level of annual funding for the Public Education campaign and for Supplies and services.
29. An increase in Supplies and services primarily due to development of a Customer Services Directory and Workforce Strategy and deferral of program expenditure from the 2014-15 financial year.
30. A decrease in Payments for non financial assets due to purchase of the HP Records Management system in the 2014-15 financial year with nil payments for non financial assets in 2015-16.

Statutory Body

Queensland Art Gallery

Overview

The Queensland Art Gallery of Modern Art (QAGOMA) contributes to the cultural, social and intellectual development of all Queenslanders. The gallery's strategic vision is to be the leading institution for the contemporary art of Australia, Asia and the Pacific and its mission is to engage people with art and artists through memorable and transformative experiences onsite and online.

The gallery's strategic objectives are to: build Queensland's globally significant collection and deliver compelling exhibitions; connect people with the enduring power of art and ideas; and build our community of partners and organisational capability to deliver the best value for Queensland. The internationally renowned Asia Pacific Triennial of Contemporary Art (APT) exhibition series, and the significant holdings of the contemporary art of the region built as a result of the APT, place the gallery at the forefront of contemporary art in the Asia Pacific region. The gallery is supported by its fundraising body, the QAGOMA Foundation, and is committed to building a community of partners through which it can strengthen its organisational delivery.

QAGOMA contributes to the Queensland Government's objectives for building safe, caring and connected communities by stimulating economic growth through cultural tourism, delivering integrated and responsive visitor experiences across its two buildings, connecting culturally diverse communities through the enduring power of art and ideas, and encouraging better educational outcomes through innovative arts-based learning.

Service performance

In the past three years, the QAGOMA has hosted six ticketed international exclusive-to-Brisbane exhibitions, presented APT7, the seventh iteration of its flagship exhibition series, and attracted over 3.7 million onsite visits.

During 2014–15, the QAGOMA:

- attracted 1.15 million visits to exhibitions and programs onsite and 50,000 visits to regional touring venues
- presented three major solo exhibitions by Australian and international artists, including David Lynch (United States), Tracey Moffatt (Australia/United States) and Michael Parekowhai (New Zealand)
- presented two exhibitions dedicated to the visual culture of contemporary Japan, supported by the Children's Art Centre presentation of 'The obliteration room' by Yayoi Kusama
- toured programs to international venues including 'My Country, I Still Call Australia Home: Contemporary Art from Black Australia' to New Zealand and 'The obliteration room', which was seen by over 1 million people in Asia and South America, and co-curated the multi-venue exhibition, 'Time of others', which opened in Japan
- hosted world leaders attending the G20 Leaders' Summit, sharing the best of the gallery's Australian Collection and showcasing its buildings, catering and events expertise
- profiled Queensland art and artists in 'Madonna Staunton: Out of a Clear Blue Sky', 'The Founding Years: 1895–1915: A Collection for Queensland', and regional tour of 'Transparent: Watercolour in Queensland 1850s–1980s'.
- through the QAGOMA Foundation, reached a milestone of \$100 million raised since its establishment in 1979.

During 2015–16, QAGOMA will:

- present APT8 featuring 75 emerging and established artists, filmmakers and performers from more than 25 countries
- launch the Asia Pacific Council (APC), a new body committed to establishing ongoing funding for the APT and its associated acquisitions, commissions and programs
- showcase Queensland art through an exhibition and interactive project with leading artist Robert MacPherson; a major group exhibition of emerging, mid-career and senior artists; and a major retrospective of one of Queensland's most senior Indigenous artists, Mirdidingkingathi Juwarrnda (Mrs Gabori)
- curate an exclusive major ticketed exhibition of work by American photographer Cindy Sherman, one of the most important artists working today.

Service performance

Performance statement

Queensland Art Gallery

Service area objective

To strengthen Queensland's visual arts sector and contribute to the cultural, social and intellectual development of all Queenslanders.

Service area description

The Queensland Art Gallery develops, conserves and presents the state art collection and delivers art and cultural experiences to Queenslanders and visitors through onsite and touring exhibitions, and onsite and online programs.

Queensland Art Gallery	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards				
<i>Effectiveness measure</i> Audience satisfaction with onsite visit	1	90%	95%	95%
<i>Efficiency measure</i> Non-government revenue as a percentage of total revenue	2	25%	39%	30%

Notes:

1. This measure has been re-worded from the previous measure 'Audience satisfaction with exhibitions and programs'.
2. This measure demonstrates the efficient use of government funding to leverage private investment and own-source revenue for the delivery of services. The gallery's strong result in 2014–15 is in part due to a large, one-off bequest through the foundation, the gallery's fundraising body.

Staffing¹

Queensland Art Gallery	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
Queensland Art Gallery		260	260	260

Note:

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

Income statement

Queensland Art Gallery	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
INCOME				
Taxes		..	..	..
User charges and fees	1,8	7,600	8,700	8,250
Grants and other contributions	2,13	33,822	40,337	34,480
Interest	3,14	570	710	600
Other revenue	4,15	41	430	40
Gains on sale/revaluation of assets	5,9	1,000	1,500	1,500
Total income		43,033	51,677	44,870
EXPENSES				
Employee expenses		24,920	24,720	25,590
Supplies and services	10,16	14,974	15,070	16,800
Grants and subsidies		..	..	..
Depreciation and amortisation	6,11	750	580	580
Finance/borrowing costs		..	..	..
Other expenses	7,12	211	440	450
Losses on sale/revaluation of assets		..	..	..
Total expenses		40,855	40,810	43,420
OPERATING SURPLUS/(DEFICIT)		2,178	10,867	1,450

Balance sheet

Queensland Art Gallery	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
CURRENT ASSETS				
Cash assets	17,24,32	2,500	9,261	6,531
Receivables		761	597	597
Other financial assets		..	..	..
Inventories		1,006	988	988
Other		101	216	216
Non financial assets held for sale		..	59	59
Total current assets		4,368	11,121	8,391
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets	18,25,33	21,708	28,000	28,450
Property, plant and equipment	26,34	334,407	334,570	343,300
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		356,115	362,570	371,750
TOTAL ASSETS		360,483	373,691	380,141
CURRENT LIABILITIES				
Payables	19,27	1,087	2,229	2,229
Accrued employee benefits	20,28	1,368	2,260	2,260
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	21,29	157	256	256
Total current liabilities		2,612	4,745	4,745
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits	22,30	561	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		561	..	..
TOTAL LIABILITIES		3,173	4,745	4,745
NET ASSETS/(LIABILITIES)		357,310	368,946	375,396
EQUITY				
TOTAL EQUITY	23,31,35	357,310	368,946	375,396

Cash flow statement

Queensland Art Gallery	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	36,43,49	7,600	8,700	8,250
Grants and other contributions	37,50	31,822	36,137	31,980
Interest received	38	570	710	600
Taxes		..	..	..
Other	39,51	71	810	70
Outflows:				
Employee costs		(24,920)	(24,720)	(25,590)
Supplies and services	44,52	(14,004)	(14,100)	(15,830)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other	40,45	(211)	(440)	(450)
Net cash provided by or used in operating activities		928	7,097	(970)
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		..	..	..
Investments redeemed	46,53	..	..	1,050
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets	41,47	(2,370)	(2,810)	(2,810)
Payments for investments	42,48,54	(532)	(5,508)	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		(2,902)	(8,318)	(1,760)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		..	..	..
Net increase/(decrease) in cash held		(1,974)	(1,221)	(2,730)
Cash at the beginning of financial year		4,474	10,482	9,261
Cash transfers from restructure		..	..	..
Cash at the end of financial year		2,500	9,261	6,531

Explanation of variances in the financial statements

Income statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

1. An increase in User charges and fees primarily due to an expansion in catering services offered by the Gallery.
2. An increase in Grants and other contributions primarily due to receipt of a large bequest by the QAGOMA Foundation and greater than expected donations of artwork.
3. An increase in Interest primarily due to higher than expected funds under investment.
4. An increase in Other revenue primarily due to the recovery of costs associated with G20 events hosted at the Gallery.
5. An increase in Gains on sale/revaluation of assets primarily due to greater than expected returns on QAGOMA Foundation investments held with the Queensland Investment Corporation.
6. A decrease in Depreciation and amortisation primarily due to property, plant and equipment reaching the end of its depreciable life.
7. An increase in Other expenses primarily due to the reclassification of insurance costs from supplies and services.

Major variations between 2014-15 Budget and 2015-16 Budget include:

8. An increase in User charges and fees primarily due to an expansion in catering services offered by the Gallery partly offset by a forecast reduction in admission revenue.
9. An increase in Gains on sale/revaluation of assets primarily due to an increase in QAGOMA Foundation investments primarily as a result of the receipt of a large bequest in 2014-15.
10. An increase in Supplies and services primarily due to expenditure for the 8th Asia Pacific Triennial of Contemporary Art, the Gallery's signature exhibition program.
11. A decrease in Depreciation and amortisation primarily due to property, plant and equipment reaching the end of its depreciable life.
12. An increase in Other expenses primarily due to the reclassification of insurance costs from supplies and services.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

13. A decrease in Grants and other contributions primarily due to return of forecast QAGOMA Foundation income to historical average levels, following receipt of a large bequest in 2014-15.
14. A decrease in Interest primarily due to transfer of some QAGOMA Foundation investments from interest bearing accounts to investments held with the Queensland Investment Corporation.
15. A decrease in Other revenue primarily due to the recovery of costs associated with G20 events hosted at the Gallery in 2014-15.
16. An increase in Supplies and services primarily due to expenditure for the 8th Asia Pacific Triennial of Contemporary Art, the Gallery's signature exhibition program.

Balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

17. An increase in Cash assets primarily due to the carry forward of savings from 2014-15 into the 2015-16 exhibition program, and an increase in current liabilities.
18. An increase in Other non-current financial assets primarily due to higher than forecast QAGOMA Foundation investments with the Queensland Investment Corporation as a result of higher than expected income.
19. An increase in Current payables due to expected accruals for artwork and other expenditure at 30 June 2015.
20. An increase in Current accrued employee benefits primarily due to reclassification of accrued benefits (non-current).
21. An increase in Other current liabilities primarily due to increased deposits for functions.

22. A decrease in Non-current accrued employee benefits primarily due to reclassification to accrued benefits (current).
23. An increase in Total equity primarily due to an increased surplus from greater than expected QAGOMA Foundation income in 2014-15 and some savings in general gallery expenditure that will be carried forward to the 2015-16 exhibition program.

Major variations between 2014-15 Budget and 2015-16 Budget include:

24. An increase in Cash assets primarily due to a higher than expected cash balance at 30 June 2014, due to savings in expenditure and an increase in current liabilities.
25. An increase in Other non-current financial assets primarily due to higher than forecast QAGOMA Foundation investments with the Queensland Investment Corporation as a result of higher than expected income.
26. An increase in Property, plant and equipment primarily due to acquisition of artworks and revaluation of the Art Collection.
27. An increase in Current payables due to expected accruals for artwork and other expenditure at 30 June 2016.
28. An increase in Current accrued employee benefits primarily due to reclassification of accrued benefits (non-current).
29. An increase in Other current liabilities primarily due to increased deposits for functions.
30. A decrease in Non-current accrued employee benefits primarily due to reclassification to accrued benefits (current).
31. An increase in Total equity primarily due to increases in the accumulated surplus from greater than expected QAGOMA Foundation income and donations of artwork to the Gallery.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

32. A decrease in Cash assets primarily due to the expenditure of savings carried forward from 2014-15 on the 2015-16 exhibition program.
33. An increase in Other non-current financial assets primarily due to a forecast increase in QAGOMA Foundation investments.
34. An increase in Property, plant and equipment primarily due to acquisitions of artwork and revaluation of the Art Collection.
35. An increase in Total equity primarily due to the operational surplus in 2015-16, which is derived from projected donations of artwork and QAGOMA Foundation income and increases to the asset revaluation surplus due to a forecast revaluation increment in the Art Collection in 2015-16.

Cash flow statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

36. An increase in User charges and fees primarily due to an expansion in catering services offered by the Gallery.
37. An increase in Grants and other contributions primarily due to receipt of a large bequest by the QAGOMA Foundation and greater than expected donations of artwork.
38. An increase in Interest received primarily due to higher than expected funds under investment.
39. An increase in Other operating inflows primarily due to recovery of costs associated with G20 events hosted at the Gallery and a forecast reduction in sundry debtors.
40. An increase in Other operating outflows primarily due to the reclassification of insurance costs from supplies and services.
41. An increase in Payments for non financial assets primarily due to greater than expected acquisition of artwork.
42. An increase in Payments for investments primarily due to higher than forecast QAGOMA Foundation investments with the Queensland Investment Corporation as a result of higher than expected income.

Major variations between 2014-15 Budget and 2015-16 Budget include:

43. An increase in User charges and fees primarily due to an expansion in catering services offered by the Gallery partly offset by a forecast reduction in admission revenue.

44. An increase in Supplies and services primarily due to expenditure for the 8th Asia Pacific Triennial of Contemporary Art, the Gallery's signature exhibition program.
45. An increase in Other operating outflows primarily due to the reclassification of insurance costs from supplies and services.
46. An increase in Investments redeemed primarily due to redemption of QAGOMA Foundation investments to fund art acquisitions.
47. An increase in Payments for non financial assets primarily due to greater than expected acquisition of artwork.
48. A decrease in Payments for investments primarily due to liquidation of some investments in 2015-16 in order to fund acquisitions of artwork.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

49. A decrease in User charges and fees primarily due to an increase in exhibition expenditure, funded by savings carried forward from 2014-15.
50. A decrease in Grants and other contributions primarily due to return of forecast QAGOMA Foundation bequests and donations of artwork to more historical average levels, following receipt of a large bequest in 2014-15.
51. A decrease in Other operating inflows primarily due to one-off recovery of costs associated with the G20 in 2014-15 and a one-off forecast reduction in sundry debtors.
52. An increase in Supplies and services primarily due to expenditure for the 8th Asia Pacific Triennial of Contemporary Art, the Gallery's signature exhibition program.
53. An increase in Investments redeemed primarily due to redemption of QAGOMA Foundation investments to fund art acquisitions.
54. A decrease in Payments for investments primarily due to a large bequest received in 2014-15 and subsequent investment with the Queensland Investment Corporation.

Statutory Body

Queensland Museum

Overview

The strategic direction of the Queensland Museum is to ensure that Queenslanders can be inspired to discover, value and celebrate the state's distinctive natural and cultural diversity. The museum does this through the activities of its network of seven public museums, and through outreach into Queensland communities.

The Queensland Museum's strategic objectives and investment priorities strive to ensure that it meets international standards in the growth, care and preservation of the collections; creates compelling experiences to ensure the greatest engagement by visitors (both real and virtual); develops high quality research capability; becomes a national leader in engagement in Science, Technology, Engineering, Maths (STEM) and the Arts; drives innovation in its business activities; invests in its people; and works in partnership.

The Queensland Museum contributes to the Queensland Government's objective to create jobs and a diverse economy by enhancing tourism opportunities through an exciting and innovative international exhibition and iconic experience program. The museum contributes to delivering quality frontline services by providing responsive, integrated and excellent services and experiences to our audiences that explore the very best of our cultural and natural treasures. As custodians and researchers of the state's natural and cultural collections, the museum contributes to protecting Queensland's environment. The museum provides opportunities for public engagement and debate through the development and presentation of evidence-based science, to ensure that our unique natural environments are protected.

The museum will contribute to building safe, caring and connected communities by preserving, growing researching and making the state's natural, cultural and historical collections accessible. Physical access to the collections will be made possible through exhibitions, programs, collection loans and educational loans. Virtual access to the collections is also achieved through online access and experiences and through publication and dissemination of research results. The museum, through an extensive network of regional facilities and resources, contributes to building capability and capacity in our regions.

Service performance

In the past three years, the museum attracted over 4 million onsite visitors, delivered object-based educational activities to over 2.3 million Queensland school students and discovered 500 new species.

In 2014-15, the museum has:

- become the most visited museum in Australia with an estimated 1.6 million visitors (with 1.35 million visiting the Queensland Museum and Sciencentre at South Bank) and 1.4 million visitors online
- secured *World Science Festival 2016-19* as a new signature event for Queensland
- presented an exciting program of international and national exhibitions at Queensland Museum and Sciencentre including *Undressed: 350 years of Underwear in Fashion* from the Victoria and Albert Museum, London, *Inside Children's Homes*, *Top Secret*, *Deep Oceans* and *Dinosaur Discovery: Lost Creatures of the Cretaceous*
- quadrupled corporate investment in the museum by securing over \$10 million of new support.

In 2015-16, the museum will:

- host the *World Science Festival*, 9-13 March 2016
- present major exhibitions including *Dinosaur Discoveries*, *Medieval Power* from the British Museum (an Australian exclusive) and *Hadron Collider* from the Science Museum London
- undertake a progressive permanent gallery renewal program with strong Queensland content at Queensland Museum
- support the Advance Queensland initiative and the Science and Innovation Action Plan which aims to make Queensland one of the leading states for student literacy and numeracy by 2020 by delivering new STEM projects across all campuses.

Service performance

Performance statement

Queensland Museum

Service area objective

To care for and build the state collection, curate and create experiences that explore unique Queensland stories, the natural environment and cultural heritage.

Service area description

Queensland Museum manages the state collection, offering public access to the collections and public programs through research, education, exhibition and loans to communities across the state and beyond. This is delivered on site in all campuses, in the community, in classrooms and online.

Queensland Museum	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards				
<i>Effectiveness measure</i>				
Satisfaction of audiences with museum experiences	1	96%	96%	96%
<i>Efficiency measure</i>				
Percentage of self-generated revenue to total revenue	2	38%	39%	39%

Notes:

1. This measure provides an indication of Queensland Museum's effectiveness in providing a compelling program of experiences across its campuses and online, helping to build Queensland's reputation as a cultural destination. The survey is consistent with DPC Better Practice Guidelines for Measuring Clients Satisfaction.
2. This measure demonstrates the efficient use of government funding in leveraging investment and building diverse revenue streams.

Staffing¹

Queensland Museum	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
Queensland Museum	1	230	239	239

Note:

1. Full-time equivalents (FTEs) as at 30 June. As visitor numbers grow, more staff are required. The museum is also facing a very high demand from project activities that has resulted in an increase in staff.

Income statement

Queensland Museum	Notes	2014-15 Budget* \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
INCOME				
Taxes		..	..	..
User charges and fees	6,12	9,099	8,864	10,244
Grants and other contributions	1,7	24,794	35,212	32,983
Interest	2,8,13	470	263	172
Other revenue	3,9,14	143	324	471
Gains on sale/revaluation of assets	4,10,15	53	200	259
Total income		34,574	44,883	44,129
EXPENSES				
Employee expenses		21,482	21,732	22,391
Supplies and services	11,16	11,490	12,107	16,275
Grants and subsidies		..	..	..
Depreciation and amortisation		4,258	4,205	4,229
Finance/borrowing costs		..	..	..
Other expenses	5,17	284	578	278
Losses on sale/revaluation of assets		..	..	..
Total expenses		37,514	38,622	43,173
OPERATING SURPLUS/(DEFICIT)		(2,940)	6,261	956

*Technical adjustments have been made in this statement to reallocate amounts between categories and facilitate consistency across agencies.

Balance sheet

Queensland Museum	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
CURRENT ASSETS				
Cash assets	18,24	4,902	3,341	3,344
Receivables		865	835	835
Other financial assets		..	..	..
Inventories		517	510	510
Other	19,25	23	14	14
Non financial assets held for sale		..	..	..
Total current assets		6,307	4,700	4,703
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets	20,26	..	3,200	3,459
Property, plant and equipment		562,281	552,249	556,596
Intangibles	21,29	816	722	881
Other		..	..	..
Total non-current assets		563,097	556,171	560,936
TOTAL ASSETS		569,404	560,871	565,639
CURRENT LIABILITIES				
Payables		1,202	1,265	1,265
Accrued employee benefits	22,27	1,655	1,898	1,898
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		2,857	3,163	3,163
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits	23,28	373	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		373	..	..
TOTAL LIABILITIES		3,230	3,163	3,163
NET ASSETS/(LIABILITIES)		566,174	557,708	562,476
EQUITY				
TOTAL EQUITY		566,174	557,708	562,476

Cash flow statement

Queensland Museum	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	35,42	9,099	8,864	10,244
Grants and other contributions	36,43	24,044	26,287	29,983
Interest received	30,37,44	470	263	172
Taxes		..	..	..
Other	31,38,45	665	344	471
Outflows:				
Employee costs		(21,469)	(21,732)	(22,391)
Supplies and services	39,46	(11,489)	(12,107)	(16,275)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other	32,40,47	(793)	(578)	(278)
Net cash provided by or used in operating activities		527	1,341	1,926
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		53	..	..
Investments redeemed		..	70	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets	33,41,48	(1,141)	(447)	(997)
Payments for investments	34,49	..	(3,000)	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		(1,088)	(3,377)	(997)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		(926)	(926)	(926)
Net cash provided by or used in financing activities		(926)	(926)	(926)
Net increase/(decrease) in cash held		(1,487)	(2,962)	3
Cash at the beginning of financial year		6,389	6,303	3,341
Cash transfers from restructure		..	..	..
Cash at the end of financial year		4,902	3,341	3,344

Explanation of variances in the financial statements

Income statement

Major variations between 2014-15 Budget* and 2014-15 Estimated Actual include:

1. An increase in Grants and other contributions primarily due to higher than expected donations to the State Collection.
2. A decrease in Interest primarily due to lower cash balances held and higher investments made.
3. An increase in Other revenue primarily due to higher sundry revenue associated with additional projects.
4. An increase in Gains on sale/revaluation of assets primarily due to gains associated with investments made.
5. An increase in Other expenses primarily due to expenses associated with an increased number of projects such as the World Science Festival.

Major variations between 2014-15 Budget* and 2015-16 Budget include:

6. An increase in User charges and fees primarily due to a higher level of activities in temporary exhibitions and associated retail and programming.
7. An increase in Grants and other contributions primarily due to additional revenue associated with a higher level of project activities.
8. A decrease in Interest primarily due to lower cash balances held and higher investments made.
9. An increase in Other revenue primarily due to higher sundry revenue associated with additional projects.
10. An increase in Gains on sale/revaluation of assets primarily due to gains associated with investments made.
11. An increase in Supplies and services primarily due to additional expenses associated with a higher level of project activities.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

12. An increase in User charges and fees primarily due to a higher level of activities in temporary exhibitions and associated retail and programming.
13. A decrease in Interest primarily due to lower cash balances held and higher investments made.
14. An increase in Other revenue primarily due to higher sundry revenue associated with additional projects.
15. An increase in Gains on sale/revaluation of assets primarily due to gains associated with investments made.
16. An increase in Supplies and services primarily due to additional expenses associated with a higher level of project activities.
17. A decrease in Other expenses primarily due to higher expenses associated with additional projects in the prior year.

Balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

18. A decrease in Cash assets primarily due to less cash being held in bank and more investments being made.
19. A decrease in Other current assets primarily due to lower prepayment expected at 30 June 2015.
20. An increase in Other non-current financial assets primarily due to higher investments made.
21. A decrease in Intangibles primarily due to changes in the timing and reprioritisation of capital projects.
22. An increase in Current accrued employee benefits primarily due to the reclassification of all accrued employee benefits as current liabilities.
23. A decrease in Non-current accrued employee benefits primarily due to the reclassification of all accrued employee benefits as current liabilities.

Major variations between 2014-15 Budget and 2015-16 Budget include:

24. A decrease in Cash assets primarily due to less cash being held in bank and more investments being made.

25. A decrease in Other current assets primarily due to lower prepayments expected in 2015-16.
26. An increase in Other non-current financial assets primarily due to higher investments made.
27. An increase in Current accrued employee benefits primarily due to the reclassification of all accrued employee benefits as current liabilities.
28. A decrease in Non-current accrued employee benefits primarily due to the reclassification of all accrued employee benefits as current liabilities.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

29. An increase in Intangibles primarily due to changes in the timing of capital projects.

Cash flow statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

30. A decrease in Interest received primarily due to lower cash balances held and higher investments made.
31. A decrease in Other operating inflows primarily due to lower input tax credits received.
32. A decrease in Other operating outflows primarily due to lower input tax remitted.
33. A decrease in Payments for non financial assets primarily due to changes in the timing and reprioritisation of capital projects.
34. An increase in Payments for investments primarily due to investments made that were planned during the year.

Major variations between 2014-15 Budget and 2015-16 Budget include:

35. An increase in User charges and fees primarily due to a higher level of activities in temporary exhibitions and associated retail and programming.
36. An increase in Grants and other contributions primarily due to additional revenue associated with a higher level of project activities.
37. A decrease in Interest received primarily due to lower cash balances held and higher investments made.
38. A decrease in Other operating inflows primarily due to lower input tax credits received.
39. An increase in Supplies and services primarily due to additional expenses associated with a higher level of project activities.
40. A decrease in Other operating outflows primarily due to lower input tax remitted.
41. A decrease in Payments for non financial assets primarily due to lower asset purchases planned.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

42. An increase in User charges and fees primarily due to a higher level of activities in temporary exhibitions and associated retail and programming.
43. An increase in Grants and other contributions primarily due to additional revenue associated with a higher level of project activities.
44. A decrease in Interest received primarily due to lower cash balances held and higher investments made.
45. An increase in Other operating inflow primarily due to higher sundry revenue associated with additional projects.
46. An increase in Supplies and services primarily due to additional expenses associated with a higher level of project activities.
47. A decrease in Other operating outflows primarily due to lower sundry expenses planned.
48. An increase in Payments for non financial assets primarily due to expenditure required on projects delayed from prior year.
49. A decrease in Payments for investments primarily due to one-off investment made the in prior year.

Statutory Body

Queensland Performing Arts Trust

Overview

The Queensland Performing Arts Trust (QPAT) manages Queensland's flagship performing arts venue – the Queensland Performing Arts Centre (QPAC). QPAC's purpose is to contribute to the social, cultural and intellectual development of Queenslanders. QPAC's strategic direction is summarised by four objectives: curate a broad relevant program that offers high quality artistic experiences; create multidimensional experiences that attract local, national and international visitors; enhance arts learning with audiences and the public and demonstrate leadership in thinking and practice; and build financial and organisational resources that promote agility, vitality and responsiveness. QPAC's vision is for a world where the performing arts matter to everyone.

QPAT contributes to the Queensland Government's objectives for the community of building safe, caring and connected communities by:

- promoting arts literacy through programs, content development and delivery and through collaboration with industry and learning partners
- engaging in public, industry and scholarly conversation on issues of live performance and culture
- creating jobs and a diverse economy
- demonstrating leadership in understanding, measuring and communicating the value of the arts
- growing cultural tourism through curated programs, marketing initiatives and partnerships
- improving facility infrastructure
- increasing venue utilisation
- collaborating with local arts companies to expand outcomes and build capacity.

QPAC is a recognised cultural leader and delivers artistic, social, economic and cultural returns on arts and cultural investment for Queenslanders and Queensland artists and arts companies. QPAC's contribution to the growth of public value can be seen through the centre's diverse programming which brings a range of exceptional experiences to wide audiences. In addition, QPAC's community engagement, education and participation programs help foster a community of the arts, and QPAC provides a breadth and depth of support to Queensland artists and arts companies.

Broadly, QPAC's key challenge is to grow and diversify its programs as well as income streams in order to ensure financial sustainability and underpin the vitality of the organisation. Specifically, the challenge is to create private sector partnerships that enable QPAC to leverage greater economic and social return on its activity.

Service performance

QPAC has experienced several years of consecutive growth in visitation. In 2014-15 QPAC will exceed 1 million (estimated to be 1,370,000) annual visitors for the third consecutive year alongside a positive growth in gross revenue.

In 2014-15, QPAC has presented:

- an exclusive season of the American Ballet Theatre in collaboration with Tourism and Events Queensland
- two major musicals, *The Lion King* and *WICKED*, which attracted a combined audience of 395,046
- in partnership with Brisbane Festival and Opera Queensland.

In 2015-16, QPAC will:

- present the signature events Out of the Box Festival for Children and Clancestry - a celebration of country
- present four major musicals including *Les Misérables*

- commence the implementation of a new fundraising framework
- launch a new membership program.

Service performance

Performance statement

Queensland Performing Arts Trust

Service area objective

To strengthen Queensland's arts sector and contribute to the cultural, social and intellectual development of all Queenslanders.

Service area description

The Queensland Performing Arts Centre (QPAC) delivers exceptional live performance and learning experiences for Queenslanders and visitors. The venues within QPAC are managed for a positive commercial return. QPAC develops and presents live performance and learning programs throughout the year. QPAC curates an annual, mixed genre live performance program that includes QPAC variously as a producer, presenter, venue or investor and features production of local, national and international companies. QPAC delivers a specially tailored program that enhances lifelong learning through art. As well as these programming functions, QPAC is a commercial manager of its venues including managing and operating QPAC's four theatre – Lyric Theatre, Concert Hall, Playhouse and Cremorne Theatre.

Queensland Performing Arts Trust	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service				
Service standards				
<i>Effectiveness measures</i>				
Audience satisfaction	1,2	90%	95%	95%
<i>Efficiency measures</i>				
Venue utilisation	3,4,5,6	80%	85%	82%

Notes:

1. Popular productions, The Lion King and WICKED, have driven higher than anticipated audience satisfaction in 2014-15.
2. Audience satisfaction action measures the degree to which service delivery meets the expectations of users. The measure indicates audience satisfaction with programming. The audience survey is based on the DPC Better Practice Guidelines for Measuring Client Satisfaction, providing a five-point rating scale and including questions on quality, value for money and overall satisfaction.
3. Venue utilisation for all theatres has been combined into one measure. Any significant performance variances related to individual theatres are highlighted in Note 5.
4. The target for 2015-16 is based on current venue bookings and assessment of the industry environment.
5. The Estimated Actual result for the Concert Hall is 80% against its target of 56%. The increase in the Target Estimate for 2015-16 from the 2014-15 Target Estimate is due to increased use of the Concert Hall.
6. Target for 2015-16 is based on current venue bookings and assessment of industry environment.

Staffing¹

Queensland Performing Arts Trust	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
Queensland Performing Arts Trust		340	340	340

Note:

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

Income statement

Queensland Performing Arts Trust	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
INCOME				
Taxes		..	..	..
User charges and fees		38,168	38,168	38,389
Grants and other contributions	1,6	8,219	8,179	9,330
Interest	2,7	957	957	660
Other revenue	3,8	200	200	262
Gains on sale/revaluation of assets		..	..	..
Total income		47,544	47,504	48,641
EXPENSES				
Employee expenses		26,831	26,831	27,250
Supplies and services		19,553	19,513	20,074
Grants and subsidies		..	..	..
Depreciation and amortisation	4,9	780	780	834
Finance/borrowing costs		..	..	..
Other expenses	5,10	380	380	483
Losses on sale/revaluation of assets		..	..	..
Total expenses		47,544	47,504	48,641
OPERATING SURPLUS/(DEFICIT)		..	..	..

Balance sheet

Queensland Performing Arts Trust	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
CURRENT ASSETS				
Cash assets		10,453	10,341	10,025
Receivables	11,18	3,140	3,733	3,798
Other financial assets		..	..	..
Inventories	12,19	277	333	323
Other	13,20	188	769	764
Non financial assets held for sale		..	..	..
Total current assets		14,058	15,176	14,910
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	14,21,25	10,093	8,951	9,517
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		10,093	8,951	9,517
TOTAL ASSETS		24,151	24,127	24,427
CURRENT LIABILITIES				
Payables	15,22,26	5,044	3,788	4,004
Accrued employee benefits	16,23	1,314	1,585	1,580
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	17,24,27	160	1,089	1,178
Total current liabilities		6,518	6,462	6,762
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	..	..
TOTAL LIABILITIES		6,518	6,462	6,762
NET ASSETS/(LIABILITIES)		17,633	17,665	17,665
EQUITY				
TOTAL EQUITY		17,633	17,665	17,665

Cash flow statement

Queensland Performing Arts Trust	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees		38,297	38,297	38,443
Grants and other contributions	28,32	8,219	8,179	9,330
Interest received	29,33	957	957	660
Taxes		..	..	..
Other		225	225	232
Outflows:				
Employee costs		(26,826)	(26,826)	(27,255)
Supplies and services		(19,408)	(19,368)	(19,718)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other	30,34	(390)	(390)	(608)
Net cash provided by or used in operating activities		1,074	1,074	1,084
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets	31,35	(1,000)	(1,000)	(1,400)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		(1,000)	(1,000)	(1,400)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		..	..	..
Net increase/(decrease) in cash held		74	74	(316)
Cash at the beginning of financial year		10,379	10,267	10,341
Cash transfers from restructure		..	..	..
Cash at the end of financial year		10,453	10,341	10,025

Explanation of variances in the financial statements

Income statement

Major variations between 2014-15 Budget and 2015-16 Budget include:

1. An increase in Grants and other contributions primarily due to biennial funding for the Out of the Box festival and indexation increases to EB arrangements.
2. A decrease in Interest primarily due to the decrease in the balance of trust accounts (2013-14 included interest earned on the sold out season of a major musical) and lower interest rates.
3. An increase in Other revenue primarily due to increased returns on production investment.
4. An increase in Depreciation and amortisation expense primarily due to major refurbishments in 2014-15 which included refurbishment of food and beverage facilities and purchase of in-theatre equipment.
5. An increase in Other expenses primarily due to an increase in audit and insurance expenses.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

6. An increase in Grants and other contributions primarily due to biennial funding for Out of the Box festival and indexation increases to EB arrangements.
7. A decrease in Interest primarily due to the decrease in the balance of trust accounts (2013-14 included interest earned on the sold out season of a major musical) and lower interest rates.
8. An increase in Other revenue primarily due to an increased return on production investment.
9. An increase in Depreciation and amortisation expense primarily due to major refurbishments in 2014-15 which included refurbishment of food and beverage facilities and purchase of in-theatre equipment.
10. An increase in Other expenses primarily due to an increase in audit and insurance expenses.

Balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

11. An increase in Receivables primarily due to an increase in commercial programs and rental of venues.
12. An increase in Inventories primarily due to increased sales activities in food and beverage, due to the sold out season of a major musical and increased visitation.
13. An increase in Other current assets primarily due to the expected prepayment of expenses relating to future programming productions (expenses are paid 2014-15 but actual shows will be in 2015-16).
14. A decrease in Property, plant and equipment primarily due to delays in some capital expenditure projects to 2015-16 due to time spent in the tendering process and expected capital expenditure that will be charged as an operational expense.
15. A decrease in Payables primarily due to decreased capital asset purchases which were deferred to 2015-16.
16. An increase in Accrued employee benefits primarily due to increased recoverable employee expenses.
17. An increase in Other current liabilities primarily due to higher corporate partners activities.

Major variations between 2014-15 Budget and 2015-16 Budget include:

18. An increase in Receivables primarily due to an increase in commercial programs and rental of venues.
19. An increase in Inventories primarily due to increased sales activities in food and beverage, due to the sold out season of a major musical and increased visitation.
20. An increase in Other current assets primarily due to the expected prepayment of expenses relating to future programming productions (expenses are paid in 2014-15 but actual shows will be in 2015-16).
21. A decrease in Property, plant and equipment primarily due to delays in some capital expenditure projects to 2015-16 due to time spent in the tendering process and expected capital expenditure that will be charged as an operational expense.
22. A decrease in Payables primarily due to decreased capital asset purchases which were deferred to 2015-16.
23. An increase in Accrued employee benefits primarily due to increased recoverable employee expenses.

24. An increase in Other current liabilities primarily due to higher corporate partners activities.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

25. An increase in Property, plant and equipment primarily due to increased asset purchases for replacement of fully depreciated assets.
26. An increase in Payables primarily due to increased asset purchases for replacement of fully depreciated assets and biennial Out of the Box festival activities.
27. An increase in Other current liabilities primarily due to higher corporate partners activities.

Cash flow statement

Major variations between 2014-15 Budget and 2015-16 Budget include:

28. An increase in Grants and other contributions primarily due to biennial funding for the Out of the Box festival and indexation increases to EB arrangements.
29. A decrease in Interest received primarily due to the decrease in the balance of trust accounts (2013-14 included interest earned on the sold out season of a major musical) and lower interest rates.
30. An increase in Other operating outflows primarily due to increased audit and insurance expenses.
31. An increase in Payments for non financial assets primarily due to an increase in asset purchases.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

32. An increase in Grants and other contributions primarily due to biennial funding for the Out of the Box festival and indexation increases to EB arrangements.
33. A decrease in Interest received primarily due to the decrease in the balance of trust accounts (2013-14 included interest earned on the sold out season of a major musical) and lower interest rates.
34. An increase in Other operating outflows primarily due to increased audit and insurance expenses.
35. An increase in Payments for non financial assets primarily due to an increase in asset purchases.



Office of the Governor

Overview

The *Constitution of Queensland 2001* provides that there must be a Governor of Queensland who is appointed by the Sovereign. The Governor is authorised and required to do all things that belong to the Governor's office under any law. This is the second year in office for His Excellency the Honourable Paul De Jersey AC.

While the Governor as the representative of The Queen, who is the Head of State in Queensland, does not participate in the political process, it is the main constitutional responsibility of the Governor to ensure that the state continues to have a stable government which commands the popular support of the Parliament.

As an independent entity, the Office of the Governor (the Office) provides executive, administrative, logistical and personal support that enables the Governor to exercise effectively the constitutional powers and responsibilities of office, and to undertake constitutional and ceremonial duties and community activities. The autonomous nature of the Office is consistent with the Governor's role to function with political neutrality. The Office also maintains the Government House Estate, in partnership with the Department of Housing and Public Works.

Performance statement

Office of the Governor

Service area objective

Support to the Governor in order to enable His Excellency to exercise his statutory and constitutional, ceremonial, civic and social duties of the office.

Service area description

The Office of the Governor provides executive, administrative, logistical and personal support to the Governor and manages the Government House Estate.

Services

- Support to the Governor
- Management of the Government House Estate

2015-16 service area highlights

During 2015-16, the Office of the Governor will continue to:

- support the Governor's constitutional and legal responsibilities of office through high quality policy advice and executive support
- support the Governor's ceremonial responsibilities of office in particular the Australian Honours and Awards System and other ceremonial parades and military ceremonies
- support the Governor's program of civic engagements at Government House within the community along with educating the community about the role of the Governor and promoting community organisations through His Excellency's patronage
- support the Governor's commitment to promote Queensland's produce, culture, trade and business initiatives
- support the Governor and Acting or Deputy Governor at times when the Governor acts as Administrator of the Commonwealth
- provide efficient and effective stewardship of Government House and the Estate.

Office of the Governor	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service area: Office of the Governor				
Service: Support to the Governor				
Service standards				
<i>Effectiveness measures</i>				
Client satisfaction with support provided to the Governor on constitutional, legal and ceremonial duties of office	1	90%	95%	90%
Visits to Queensland Regional Centres	2	45	36	45
Increase in the number of visitors to Government House	3	10%	N/A	10%
Percentage of menu items featuring Queensland produce as its main element	4	New measure	New measure	80%
<i>Efficiency measures</i>	5			
Service: Management of the Government House Estate				
<i>Effectiveness measures</i>				
Client satisfaction with presentation of gardens and grounds	6	85%	95%	85%
<i>Efficiency measures</i>	5			

Notes:

1. This service standard indicates the level of the Governor's overall satisfaction with the effectiveness of support and advice provided in carrying out the constitutional and legal responsibilities of office.
2. During 2014-15 the Governor also travelled to Singapore, New Zealand, India, Belgium and the United Kingdom in support of Queensland trade and investment, Brisbane hosting the G20 and the Centenary of Anzac commemoration.
3. This service standard indicates the level of public engagement with the Governor and Government House. The term "visitors" includes all who participate in the Government House visit program. A 2014-15 Est. actual is not available as Government House did not offer a visit program as the building was being remodelled to cater for equitable access rendering it unsafe for visitors.
4. The Office of the Governor seeks to promote Queensland and one means of doing so is through the promotion of Queensland products at Government House events.
5. An efficiency measure is being developed for this service and will be included in a future Service Delivery Statement.
6. This service standard indicates the level of the Governor's overall satisfaction through the effectiveness and quality of services provided to maintain the estate's gardens.

Staffing¹

Service areas	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
Executive, administrative, logistical and personal support of the Governor and management of the Government House Estate.	2	44	44	44
TOTAL		44	44	44

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate FTEs are allocated across the service to which they relate.

Discontinued measures

Performance measures included in the 2014-15 Service Delivery Statements that have been discontinued or replaced are reported in the following table with estimated actual results. For those measures that are being discontinued from the Service Delivery Statement because they do not demonstrate the effectiveness or efficiency of services, please refer to the Notes below for further information about where these measures will continue to be reported.

Office of the Governor	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service area: Office of the Governor				
Days in Queensland Regional Centres	1	70	42	Discontinued measure

Note:

1. This measure has been discontinued as there are other more suitable measures of community engagement. Information on the Governor's regional visits are provided in the Office of the Governor's annual report.

Budgeted financial statements

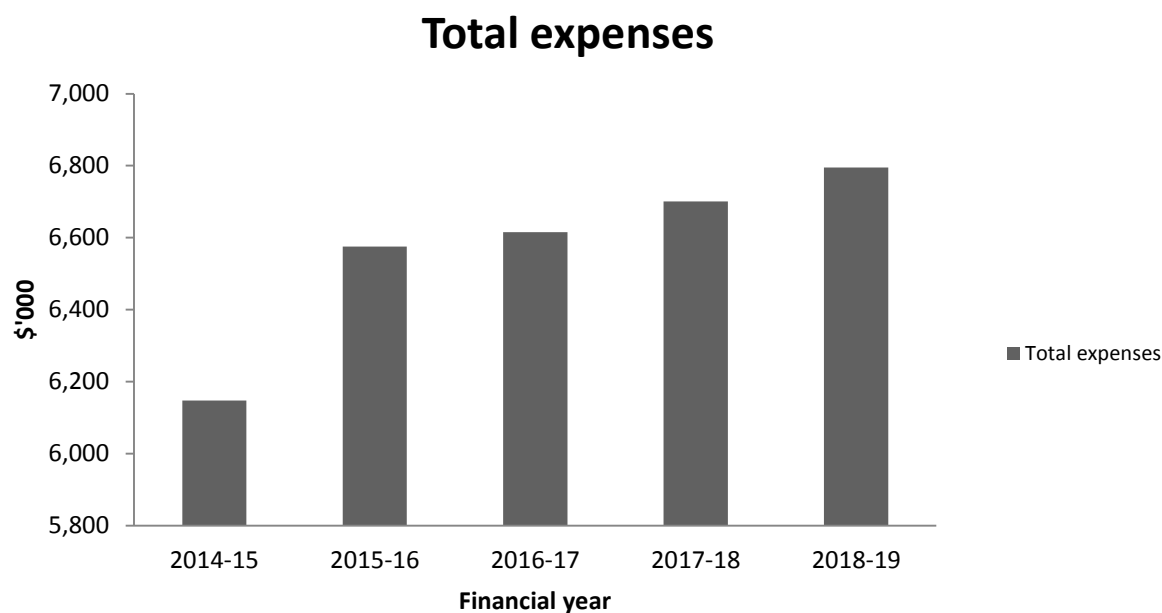
Analysis of budgeted financial statements

An analysis of the Office’s budgeted financial statements, as reflected in the Office’s financial statements, is provided below.

Departmental income statement

Total expenses are estimated to be \$6.6 million in 2015-16, an increase of \$427,000 from the 2014-15 financial year. The increase is mainly due to the impact of Enterprise Bargaining arrangements and the cost of projects carried forward from the 2014-15 financial year.

Chart: Total departmental expenses across the Forward Estimates period



Departmental balance sheet

The Office’s major assets in 2014-15 are in property, plant and equipment (\$1.6 million) – primarily the heritage and cultural collection – and intangible assets (\$179,000). These categories are expected to remain steady over the next three years, following the improvements to the Government House Security Infrastructure in 2014-15. The Office’s main liabilities relate to trade creditors at year end. These are not anticipated to change markedly over the forward

Controlled income statement

Office of the Governor	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
INCOME				
Appropriation revenue	1,4,7	6,263	6,148	6,575
Taxes		..	..	..
User charges and fees		..	..	..
Royalties and land rents		..	..	..
Grants and other contributions		..	..	..
Interest		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
Total income		6,263	6,148	6,575
EXPENSES				
Employee expenses	2,5,8	4,507	4,259	4,662
Supplies and services	3,6	1,593	1,703	1,727
Grants and subsidies		..	..	..
Depreciation and amortisation		139	162	162
Finance/borrowing costs		..	..	..
Other expenses		24	24	24
Losses on sale/revaluation of assets		..	..	..
Total expenses		6,263	6,148	6,575
OPERATING SURPLUS/(DEFICIT)		..	..	..

Controlled balance sheet

Office of the Governor	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
CURRENT ASSETS				
Cash assets		678	683	728
Receivables		127	94	94
Other financial assets		..	..	..
Inventories		31	28	28
Other		1	..	..
Non financial assets held for sale		..	..	..
Total current assets		837	805	850
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	9,11	1,454	1,602	1,597
Intangibles	13	297	245	179
Other		..	..	..
Total non-current assets		1,751	1,847	1,776
TOTAL ASSETS		2,588	2,652	2,626
CURRENT LIABILITIES				
Payables	10,12	185	74	74
Accrued employee benefits		110	125	125
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		295	199	199
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	..	..
TOTAL LIABILITIES		295	199	199
NET ASSETS/(LIABILITIES)		2,293	2,453	2,427
EQUITY				
TOTAL EQUITY		2,293	2,453	2,427

Controlled cash flow statement

Office of the Governor	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts	14,19,22	6,263	6,148	6,575
User charges and fees		..	..	..
Royalties and land rent receipts		..	..	..
Grants and other contributions		..	..	..
Interest received		..	..	..
Taxes		..	..	..
Other		..	..	..
Outflows:				
Employee costs	15,20,23	(4,507)	(4,259)	(4,662)
Supplies and services	16,21	(1,593)	(1,703)	(1,727)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(24)	(24)	(24)
Net cash provided by or used in operating activities		139	162	162
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets	17,24	(41)	(204)	(64)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		(41)	(204)	(64)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	18	..	140	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		(53)	(53)	(53)
Net cash provided by or used in financing activities		(53)	87	(53)
Net increase/(decrease) in cash held		45	45	45
Cash at the beginning of financial year		633	638	683
Cash transfers from restructure		..	..	..
Cash at the end of financial year		678	683	728

Explanation of variances in the financial statements

Income statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

1. A decrease in Appropriation revenue as a result of funds carried forward to 2015-16 to fund existing projects along with funds transferred to equity to fund plant and equipment purchases.
2. A decrease in Employee expenses due to a number of short term vacancies and staff absences during the 2014-15 year.
3. An increase in Supplies and services due to an increase in minor works and equipment costs in 2014-15 associated with the change of Governor.

Major variations between 2014-15 Budget and 2015-16 Budget include:

4. An increase in Appropriation revenue received for Enterprise Bargaining arrangements along with funds carried forward to 2015-16 for existing projects.
5. An increase in Employee expenses due Enterprise Bargaining arrangements.
6. An increase in Supplies and services due to projects carried forward from 2014-15.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

7. An increase in Appropriation revenue received for Enterprise Bargaining arrangements along with funds carried forward to 2015-16 for existing projects.
8. An increase in Employee expenses due to Enterprise Bargaining arrangements and by filling vacant positions.

Balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

9. An increase in Property, plant and equipment primarily due to enhancements to the Government House Security Infrastructure.
10. A decrease in Payables due to fluctuations in accrued expenses at year end.

Major variations between 2014-15 Budget and 2015-16 Budget include:

11. An increase in Property, plant and equipment primarily due to enhancements to the Government House Security Infrastructure.
12. A decrease in Payables due to fluctuations in accrued expenses at year end.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

13. A decrease in Intangibles due to amortisation.

Cash flow statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

14. A decrease in Appropriation receipts as a result of funds carried forward to 2015-16 for existing projects along with funds transferred to equity to fund plant and equipment purchases.
15. A decrease in Employee costs due to a number of short term vacancies and staff absences during 2014-15.
16. An increase in Supplies and services due to an increase in minor works and equipment costs in 2014-15 associated with the change of Governor.
17. An increase in Payments for non financial assets principally due to an increased investment in plant and equipment associated with the Government House Security Infrastructure.
18. An increase in Equity injections to fund plant and equipment purchases.

Major variations between 2014-15 Budget and 2015-16 Budget include:

19. An increase in Appropriation receipts for Enterprise Bargaining arrangements along with funds carried forward to 2015-16 to fund existing projects.
20. An increase in Employee costs due to Enterprise Bargaining arrangements.
21. An increase in Supplies and services as funds were carried forward to 2015-16 to fund existing projects.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

22. An increase in Appropriation receipts as funds were carried forward from 2014-15 to fund existing projects.
23. An increase in Employee costs due to Enterprise Bargaining arrangements and increased employee costs included in projects carried forward from 2014-15.
24. A decrease in Payments for non financial assets following the one-off investment in 2014-15 to fund improvements to the Government House Security Infrastructure.



Queensland
Government

Public Service Commission

Departmental overview

The Public Service Commission (PSC) is an independent central agency of government with key responsibilities for workforce policy, strategy, leadership and organisational performance across the Queensland public sector.

In 2015-16, the PSC will partner with agencies and gain community insights in the design and re-design of services and programs.

The PSC's vision is for a public sector that is distinguished by its capability, impartiality and professionalism in serving the Queensland Government and the community.

The PSC contributes to the achievement of the Queensland Government's objectives for the community, particularly the supporting objective of integrity and accountability by delivering on the following strategic objectives:

- a high performing, engaged, service-focused workforce
- a professional and productive public sector to serve the community
- a provider of quality advice and trusted intelligence on contemporary human resource matters.

Environmental factors affecting the PSC's strategic objectives include today's public sector environment of increasing complexity, fiscal restraint, digital transformation and increasing community expectations.

The Integrity Commissioner is administratively included within the PSC and is responsible for providing advice on integrity and ethics issues and for maintaining the Queensland Register of Lobbyists. The Integrity Commissioner is an independent officer of the Queensland Parliament who reports at least twice a year to the Finance and Administration Committee of the Parliament.

Service performance

Service approach

The PSC's service approach is to provide high quality, impartial policy, strategy, programs and advice to government on workforce, leadership and organisational matters, to deliver on its objectives for the Queensland community.

The PSC works closely with all government agencies to deliver on its vision, purpose and objectives.

The PSC also partners with external partners and stakeholders including the tertiary education and development sector, industry partners, employer associations, unions, research institutes and other public sector jurisdictions.

As a result of machinery of government changes, the Public Sector Industrial Relations Unit was transferred to the Department of Justice and Attorney-General from the PSC.

Performance statement

Provision of Services for a High Performing Public Service

Service area objective

Deliver community-focused workforce and organisational policy, strategies and programs that support Queensland Government agencies in achieving their strategic objectives.

Service area description

The PSC provides service-focused strategic workforce and organisational policy, strategy, programs and advice to the Queensland Government and government agencies.

Key services include:

- chief and senior executive service recruitment, remuneration and contracts

- workforce strategy, planning and management
- workforce policy and legal advice
- leadership capability development
- strategic and tactical human resources capability development
- conduct and performance excellence
- community insights for service innovations
- organisational design and reviews
- workforce performance analytics and employee opinion surveys.

Services

- PSC Brokered Development Programs
- Sector Wide HR Excellence
- High Performing, Productive Workforce

2015-16 service area highlights

During 2015-16, the Public Service Commission will:

- deliver and consolidate a new recruitment and selection framework for chief and senior executive service officers founded on merit, integrity and accountability
- deliver a high quality induction and development program for new chief executive officers
- lead the implementation of Cabinet approved recommendations of the review of statutory appointees
- finalise an independent review of the Public Safety Business Agency, in line with the government's commitment, to ensure public safety service delivery to the community is accountable, efficient and effective
- finalise a review of the Public Service Act 2008, including amendments to better embed and support an independent public service that operates with integrity and accountability and in-line with Westminster principles
- review the PSC Operating Model, in line with Public Service Act 2008 amendments, to ensure that the PSC is strategically aligned and operating optimally
- deliver and lead the implementation of a contemporary five-year sector-wide workforce strategy that will position the Queensland public sector more strongly for the future
- enable greater inclusion and diversity across the public sector through the implementation of a sector-wide Inclusion and Diversity Strategy and Gender Equity Strategy
- implement an integrated leadership talent management strategy to support the attraction, leadership development and retention of high calibre leaders across the public sector
- develop and implement a strategy to build strategic and tactical human resource capability across the public sector
- partner with agencies to develop innovative community services
- develop and release the 2015 State of the Service Report, a biennial publication which will set out the vision, characteristics, achievements and future challenges for the Queensland public sector
- deliver the 2016 Working for Queensland employee opinion survey to monitor workplace climate and support continuous improvement across the sector.

During 2015-16, the Integrity Commissioner will:

- implement the outcomes of a strategic review of the Office, conducted under the *Integrity Act 2009*
- provide timely advice to designated persons on ethics or integrity issues, including conflict of interest issues
- provide advice to the Premier, at her request, on issues concerning ethics or integrity involving any person who is a designated person other than a non-government member of Parliament
- maintain the Queensland Register of Lobbyists
- undertake public awareness activities on issues relevant to the Integrity Commissioner's functions.

Public Service Commission	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service area: Provision of Service for a High Performing Public Service				
Service: PSC Brokered Development Programs				
Service standards <i>Effectiveness measure</i>				
Overall participant satisfaction with PSC leadership development offerings	1	New measure	New measure	80%
<i>Efficiency measure</i>				
Cost per participant at PSC leadership development offerings	2	New measure	New measure	\$275
Service: Sector Wide HR Excellence				
Service standards <i>Effectiveness measures</i>				
Overall satisfaction with leadership capabilities	3	New measure	New measure	70%
Client satisfaction with specialist human resource advice	4	New measure	New measure	75%
<i>Efficiency measures</i>				
Cost per employee of conducting annual sector-wide employee opinion survey	5	New measure	New measure	\$1.40
Service: High Performing, Productive Workforce				
Service standards Effectiveness measure				
Percentage of agencies that have team leaders or program managers participate in the Leaders Capability Assessment and Development Initiative	6	New measure	New measure	70%
<i>Efficiency measure</i>				
Use of e-Plan in agencies to facilitate performance management of executives	7	New measure	New measure	70%

Notes:

- Overall satisfaction is measured across leadership development calendar offerings (using a 5-point Likert scale ranging from strongly agree to strongly disagree) covering three dimensions; The offering has given me a good understanding of the topic; I will use or adapt the ideas from the offering in my work and I would recommend the offering to my colleagues.
- Value for money is measured on the total number of attendees against the total cost of holding the leadership development calendar offering. For 2014/15 year, 49 offerings hosting approximately 2,300 public sector workers were held for a total cost of \$567,000.
- Building leadership capability across the sector is a core function of the PSC. Leadership capabilities are measured via the annual Working for Queensland Employee Opinion Survey. The target aims for 70% of senior manager respondents to have positive views of the capability of the senior executive they report to, across all 13 executive capabilities. The 13 executive capabilities are set out in the Workforce Capability Success Profile.
- Includes overall customer satisfaction with both the PSC Advisory Service and Capability and Performance Development of 75% positive feedback based on client survey results.
- The cost per employee of the annual Working for Queensland employee opinion survey is based on the cost of the core elements of the survey (i.e. standard survey services that are funded by the PSC and provided to all participating agencies). Core costs are divided by the

number of employees that are eligible to complete the survey. Eligibility to complete the survey is based primarily on an agency's participation in the Minimum Obligatory Human Resource Information (MOHRI) workforce data collection.

6. The Leaders Capability Assessment and Development (LCAD) initiative is an independent assessment of leadership preferences targeted at team leaders and program managers as defined in the Qld Public Service Workforce Capability Success Profile. LCAD participants receive a tailored development plan.
7. e-Plan is an online performance management tool designed to achieve efficiencies in managing the Chief Executive annual assessment process facilitated by the PSC. e-Plan also provides efficiencies in collating the executive performance scores of participants across the sector, supporting the identification of high performing, high potential executives.

Discontinued measures

Performance measures included in the 2014-15 Service Delivery Statements that have been discontinued or replaced are reported in the following table with estimated actual results. For those measures that are being discontinued from the Service Delivery Statement because they do not demonstrate the effectiveness or efficiency of services, please refer to the notes below for further information about where these measures will continue to be reported.

Public Service Commission	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service area: Provision of Services for a High Performing Public Service				
Enterprise arrangements where employee costs are contained within Government wages policy	1	90%	100%	Discontinued measure
Participant satisfaction with development programs brokered by the PSC	2	80%	91.4%	Discontinued measure
Percentage of agencies that have implemented the Queensland Public Sector executive staffing structure within the approved time frame	3	95%	90%	Discontinued measure

Notes:

1. The Public Sector Industrial Relations Unit underwent a machinery of government change and has been transferred to the Department of Justice and Attorney-General.
2. This measure has been discontinued. A new measure, "Overall participant satisfaction with PSC leadership development offerings" has been introduced in the Service Delivery Statement.
3. This measure has been discontinued as the executive staffing structure program is no longer delivered.

Departmental budget summary

The table below shows the total resources available in 2015-16 from all sources and summarises how resources will be applied by service area and by controlled and administered classifications.

Machinery of government changes resulted in the Public Sector Industrial Relations transitioning from the Public Service Commission to the Department of Justice and Attorney-General. This transfer was effective from 1 March 2015.

Temporary funding of \$4.24 million has been provided for 2015-16 for a new community and people-focused program, First Project. The project is designed to improve services across the public sector by working with the public and government departments to drive process redesign, efficiencies and the use of technology solutions for improved access to government services.

Funding has been carried forward to support the continued delivery of whole-of-government leadership and management development programs in 2015-16.

Public Service Commission	2014-15 Budget \$'000	2014-15 Est. Actual \$'000	2015-16 Budget \$'000
CONTROLLED			
Income			
Appropriation revenue ¹			
Deferred from previous year/s	1,900	2,450	1,070
Balance of service appropriation	14,518	14,139	16,331
Other revenue	607	518	361
Total income	17,025	17,107	17,762
Expenses			
Provision of services for a high performing public service	17,025	17,107	17,762
Total expenses	17,025	17,107	17,762
Operating surplus/deficit	..	..	..
Net assets	963	936	936

Note:

1. Includes State and Commonwealth funding.

Service area sources of revenue

Sources of revenue 2015-16 Budget ¹					
Service area	Total cost \$'000	State contribution \$'000	User charges and fees \$'000	C'wealth revenue \$'000	Other revenue \$'000
Provision of services for a high performing public service	17,762	17,401	241	120	..
Total	17,762	17,401	241	120	..

Note:

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

Budget measures summary

This table shows a summary of budget measures relating to the department since the 2014-15 State Budget. Further details are contained in *Budget Paper 4*.

Public Service Commission	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
Revenue measures					
Up to and including 2014-15 MYR					
Administered
Departmental
2015-16 Budget					
Administered
Departmental
Total revenue measures					
Administered
Departmental
Expense measures					
Up to and including 2014-15 MYR					
Administered
Departmental
2015-16 Budget					
Administered
Departmental	..	2,671	(1,610)	(1,612)	(1,612)
Total expense measures					
Administered
Departmental¹	..	2,671	(1,610)	(1,612)	(1,612)
Capital measures					
Up to and including 2014-15 MYR					
Administered
Departmental
2015-16 Budget					
Administered
Departmental
Total capital measures					
Administered
Departmental¹

Staffing

Service areas	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
Provision of services for a high performing public service	1,2	74	74	86
TOTAL		74	74	86

Notes:

1. Full-time equivalents (FTEs) as at 30 June reflects the decrease in FTE's following the machinery of government changes.
2. The increase in FTE's for 2015-16 reflects the temporary increase due to the First Project.

Budgeted financial statements

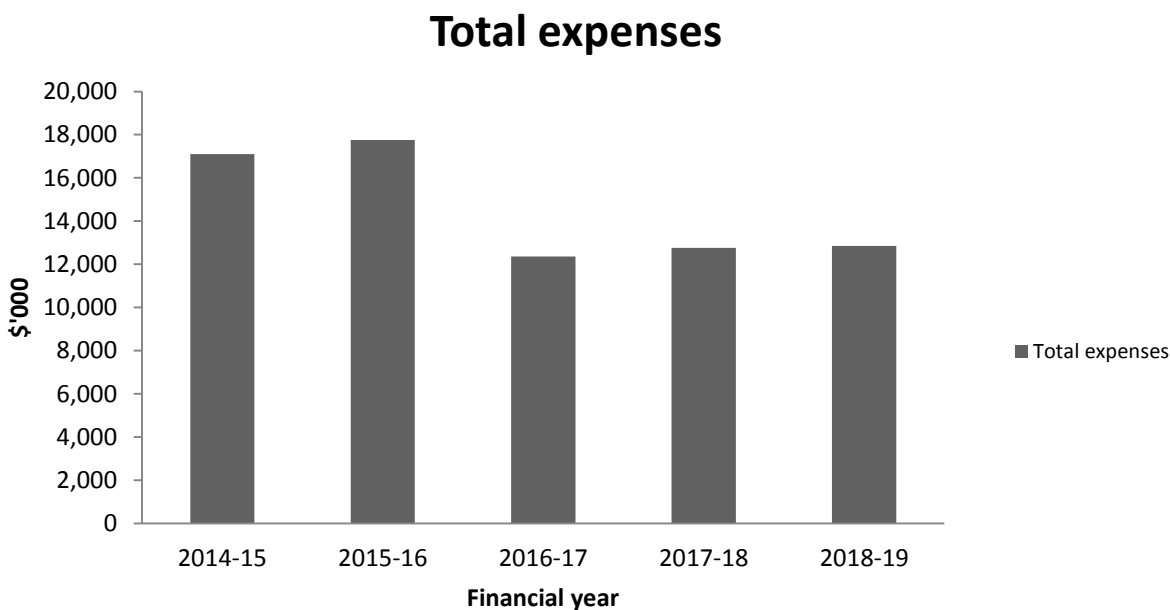
Analysis of budgeted financial statements

An analysis of the Public Service Commission’s budgeted financial statements, as reflected in the department’s financial statements, is provided below.

Departmental income statement

Total expenses are estimated to be \$17.762 million in 2015-16, an increase of \$0.655 million from the 2014-15 financial year. The increase is primarily due to additional funding provided for the Conduct and Performance Excellence function and First Project and is partially offset by the effect of the machinery-of-government transfer of the Industrial Relations function to the Department of Justice and Attorney-General, the whole-of-government reprioritisation and savings measures and the net effect of project deferrals primarily for leadership development projects.

Chart: Total departmental expenses across the Forward Estimates period



Departmental balance sheet

The Commission's assets in 2014-15 include property, plant and equipment with an estimated value of \$1.5 million. The major asset is the fit out of the leased premises at 53 Albert Street. The asset is amortised in accordance with the lease term, with an expiry of 2023. The Commission's main liability is a lease incentive for the fitout of the premises. The lease liability incentive reduces by \$0.118 million per annum and the liability is due to be extinguished in line with the amortisation of the leasehold fitout.

Controlled income statement

Public Service Commission	Notes	2014-15 Adjusted Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
INCOME				
Appropriation revenue	1,5,10	16,418	16,589	17,401
Taxes		..	..	..
User charges and fees	6,11	135	135	241
Royalties and land rents		..	..	..
Grants and other contributions	2,7,12	472	383	120
Interest		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
Total income		17,025	17,107	17,762
EXPENSES				
Employee expenses	3,8,13	10,130	10,670	11,879
Supplies and services	4,9,14	6,669	6,209	5,653
Grants and subsidies		..	..	..
Depreciation and amortisation		186	186	186
Finance/borrowing costs		..	..	..
Other expenses		40	42	44
Losses on sale/revaluation of assets		..	..	..
Total expenses		17,025	17,107	17,762
OPERATING SURPLUS/(DEFICIT)		..	..	..

Controlled balance sheet

Public Service Commission	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
CURRENT ASSETS				
Cash assets	15,16,18	831	718	597
Receivables		443	466	549
Other financial assets		..	..	..
Inventories		..	..	..
Other		29	65	76
Non financial assets held for sale		..	..	..
Total current assets		1,303	1,249	1,222
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		1,518	1,536	1,402
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		1,518	1,536	1,402
TOTAL ASSETS		2,821	2,785	2,624
CURRENT LIABILITIES				
Payables		623	577	544
Accrued employee benefits		327	364	354
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		118	118	118
Total current liabilities		1,068	1,059	1,016
NON-CURRENT LIABILITIES				
Payables	17,19	790	790	672
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		790	790	672
TOTAL LIABILITIES		1,858	1,849	1,688
NET ASSETS/(LIABILITIES)		963	936	936
EQUITY				
TOTAL EQUITY		963	936	936

Controlled cash flow statement

Public Service Commission	Notes	2014-15 Adjusted Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts	20,25,30	16,418	16,685	17,401
User charges and fees	21,26,31	135	385	158
Royalties and land rent receipts		..	..	..
Grants and other contributions	22,27,32	472	383	120
Interest received		..	..	..
Taxes		..	..	..
Other		..	..	..
Outflows:				
Employee costs	23,28,33	(10,130)	(10,730)	(11,889)
Supplies and services	29,34	(6,669)	(6,697)	(5,697)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(158)	(200)	(162)
Net cash provided by or used in operating activities		68	(174)	(69)
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets	24,35	(52)	(170)	(52)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		(52)	(170)	(52)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		..	..	..
Net increase/(decrease) in cash held		16	(344)	(121)
Cash at the beginning of financial year		815	1,062	718
Cash transfers from restructure		..	..	..
Cash at the end of financial year		831	718	597

Explanation of variances in the financial statements

Income statement

Major variations between 2014-15 Adjusted Budget and 2014-15 Estimated Actual include:

1. An increase in Appropriation revenue primarily due to additional funding provided for the Conduct and Performance Excellence function and partially offset by the net effect of project deferrals, primarily for whole-of-government leadership and development programs co-ordinated by the Commission.
2. A decrease in Grants and other contributions due to reducing costs from improvements in ICT systems providing workforce statistical data from the Workforce Analysis and Collection Application, thereby reducing contributions required from government agencies.
3. An increase in Employee expenses primarily due to additional funding provided for the Conduct and Performance Excellence function and partially offset by the net effect of deferrals, namely for whole-of-government leadership and development programs co-ordinated by the Commission.
4. A decrease in Supplies and services primarily due to the net effect of project deferrals between years, primarily for whole-of-government leadership and development programs co-ordinated by the Commission.

Major variations between 2014-15 Adjusted Budget and 2015-16 Budget include:

5. An increase in Appropriation revenue is primarily due to additional funding provided for the Conduct and Performance Excellence function and First Project partially offset by the effect of the machinery-of-government transfer of the Industrial Relations function to the Department of Justice and Attorney-General, whole-of-government reprioritisation and savings measures and the net effect of project deferrals between years, primarily for whole-of-government leadership and development programs co-ordinated by the Commission.
6. An increase in User charges due to the reclassification of contributions from Grants and other contributions for providing workforce statistical data from the Workforce Analysis and Collection Application to interstate jurisdictions.
7. A decrease in Grants and other contributions due to revenues raised in the current financial year for a tri-ennial funding and service level agreement to meet operating costs that are subject to renewal in 2016-17 and the reclassification of contributions to User charges for providing workforce statistical data from the Workforce Analysis and Collection Application to interstate jurisdictions.
8. An increase in Employee expenses primarily due to the First Project and Conduct and Performance Excellence function and partially offset by the effect of the machinery-of-government transfer of the Industrial Relations function to the Department of Justice and Attorney-General.
9. A decrease in Supplies and services primarily due to the cessation of temporary funding provided for Industrial Relations legal costs.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

10. An increase in Appropriation revenue primarily due to additional funding provided for the Conduct and Performance Excellence function and First Project. This is partially offset by the part year effect of the machinery-of-government transfer of the Industrial Relations function to the Department of Justice and Attorney-General, whole-of-government reprioritisation and savings measures, the cessation of project funding for Industrial Relations legal costs and the net effect of project deferrals, primarily for whole-of-government leadership and development programs co-ordinated by the Commission.
11. An increase in User charges due to the reclassification of contributions from Grants and other contributions for providing workforce statistical data from the Workforce Analysis and Collection Application to interstate jurisdictions.
12. A decrease in Grants and other contributions due to revenues raised in the current financial year for a tri-ennial funding and service level agreement to meet operating costs that are subject to renewal in 2016-17 and reclassification of the contributions to User charges for providing workforce statistical data from the Workforce Analysis and Collection Application to interstate jurisdictions.
13. An increase in Employee expenses primarily due to the First Project and Conduct and Performance Excellence function and offset by the effect of the machinery-of-government transfer of the Industrial Relations function to the Department of Justice and Attorney-General.
14. A decrease in supplies and services primarily due to application of the Public Sector Initiatives savings applied to the Commission.

Balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

15. A decrease in Cash assets due to an increase in prepayment assets for operational ICT software arrangements and reduction in trade payables and lease incentive liability in accordance with the lease terms for 53 Albert Street, Brisbane.

Major variations between 2014-15 Budget and 2015-16 Budget include:

16. A decrease in Cash assets due to an increase in prepayment assets for operational ICT software arrangements and reduction in trade payables and lease incentive liability in accordance with the lease terms for 53 Albert Street, Brisbane.
17. A decrease in Non-current payables due to the reduction in a leasehold liability incentive in accordance with the lease terms for 53 Albert Street, Brisbane.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

18. A decrease in Cash assets due to an increase in prepayment assets for operational ICT software arrangements and reduction in trade payables and lease incentive liability in accordance with the lease terms for 53 Albert Street, Brisbane.
19. A decrease in Non-current payables due to the reduction in a leasehold liability incentive in accordance with the lease terms for 53 Albert Street, Brisbane.

Cash flow statement

Major variations between 2014-15 Adjusted Budget and 2014-15 Estimated Actual include:

20. An increase in Appropriation receipts primarily due to additional funding provided for the Conduct and Performance Excellence function and partially offset by the net effect of project deferrals, primarily for whole-of-government leadership and development programs co-ordinated by the Commission and the appropriation receivable.
21. An increase in User charges is primarily due to the timing of collection of receivables.
22. A decrease in Grants and other contributions due to reducing costs from improvements in ICT systems providing workforce statistical data from the Workforce Analysis and Collection Application, thereby reducing contributions required from government agencies.
23. An increase in Employee costs primarily due to additional funding provided for the Conduct and Performance Excellence function and offset by the net effect of project deferrals, primarily for whole-of-government leadership and development programs co-ordinated by the Commission.
24. An increase in Payments for non financial assets is due to the asset replacement program for ICT hardware.

Major variations between 2014-15 Adjusted Budget and 2015-16 Budget include:

25. An increase in Appropriation revenue is primarily due to additional funding provided for the Conduct and Performance Excellence function and First Project partially offset by the effect of the machinery-of-government transfer of the Industrial Relations function to the Department of Justice and Attorney-General, whole-of-government reprioritisation and savings measures and the net effect of project deferrals.
26. An increase in User charges due to the reclassification of contributions from Grants and other contributions for providing workforce statistical data from the Workforce Analysis and Collection Application to interstate jurisdictions.
27. A decrease in Grants and other contributions due to revenues raised in the current financial year for a tri-ennial funding and service level agreement to meet operating costs that are subject to renewal in 2016-17 and reclassification of contributions to User charges for providing workforce statistical data from the Workforce Analysis and Collection Application to interstate jurisdictions.
28. An increase in Employee costs is primarily due to the First Project and Conduct and Performance Excellence function and partially offset by the effect of the machinery-of-government transfer of the Industrial Relations function to the Department of Justice and Attorney-General.
29. A decrease in Supplies and services primarily due to the cessation of Industrial Relations legal costs.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

30. An increase in Appropriation receipts primarily due to additional funding provided for the Conduct and Performance Excellence function and First Project and is partially offset by the effect of the machinery-of-government transfer of the Industrial Relations function to the Department of Justice and Attorney-General, whole-of-government reprioritisation and savings measures, the cessation of project funding for Industrial Relations legal costs, and the net effect of project deferrals between years.
31. A decrease in User charges due to a reduction in expected contract revenue derived from whole-of-government leadership and development programs co-ordinated by the Commission.
32. A decrease in Grants and other contributions due to revenues raised in the current financial year for a tri-ennial funding and service level agreement to meet operating costs that are subject to renewal in 2016-17 and reclassification of contributions to User charges for providing workforce statistical data from the Workforce Analysis and Collection Application to interstate jurisdictions.
33. An increase in Employee costs primarily due to the First Project and Conduct and Performance Excellence function and offset by the effect of the machinery-of-government transfer of the Industrial Relations function to the Department of Justice and Attorney-General.
34. A decrease in supplies and services primarily due to application of the Public Sector Initiatives savings applied to the Commission.
35. A decrease in Payments for non financial assets is due to the asset replacement program in the current financial year for ICT hardware.



Queensland Audit Office

Queensland Audit Office

Overview

The Queensland Audit Office (QAO) is an integrity agency that provides independent, professional audit services, which help to strengthen public sector accountability and improve transparency.

Our vision is for better public services through the delivery of world class audits.

Our purpose is to provide independent assurance and unique insights to achieve QAO's primary objective of providing our clients with the information they need to improve public sector accountability and performance.

We are also committed to:

- delivering services that are trusted and valued as independent, authoritative and timely
- developing our people to be the best in their field, supporting them with efficient and effective operations.

QAO's key activities are:

- conducting financial audits and performance audits
- reporting to the Parliament on the results of these audits
- providing other advice and assistance to Members of Parliament and Parliamentary committees to help them with oversight of and to hold accountable, the public sector for its performance
- providing advice and assistance to state and local government public sector entities on ways to strengthen their internal controls and better manage their financial and operating risks.

We charge fees to our public sector clients when we conduct their financial audits. Our financial audit fees have fallen in real terms since 2011 because we have improved our audit efficiency and effectiveness by adopting new technology and refining our risk-based audit approaches. Performance audits and the other reporting and advice services we provide to the Parliament are funded by appropriations from Parliament, which have remained unchanged in real terms for a number of years. In this context, we have increased our outputs and capacity to deliver more value from performance audits.

We will continue to invest in data driven audit approaches by expanding our resource capacity to extract data efficiently from our public sector clients and from other sources; developing more sophisticated data matching routines; and further training our workforce in sophisticated data analysis techniques.

Service performance

In recent years, QAO's major achievements include:

- delivering more reports to Parliament than in any previous year
- lowering the average cost of our financial audits, while improving their timeliness and quality
- identifying significant cost savings and revenue gains for the public sector through our performance audits.

During 2015-16, QAO will be:

- pursuing opportunities to strengthen our independence and achieve greater autonomy
- developing new ways to better engage with our stakeholders
- adapting our audit approaches to provide greater value to our stakeholders
- developing our workforce to better leverage a data rich future
- making better use of new technology and standardising our processes to improve our operations
- engaging with our staff to embed our refreshed values of engage, challenge, delivery and care.

Service performance

Performance statement

Independent Public Sector Auditing and Reporting

Service area objective

To provide independent assurance and unique insights.

Service area description

The service area supports the Auditor-General to conduct performance audits and financial audits of public sector entities. During each audit, the service area performs analysis, develops insights and provides recommendations to improve public sector performance. The Auditor-General tables reports to provide important information to Parliament, public sector entities and members of the public. Each year, the service area follows up with public sector entities to identify to what extent recommendations have been implemented.

Services

- Reports and Advice to the Parliament
- Reports and Advice to the Public Sector

Queensland Audit Office	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service area: Independent Public Sector Auditing and Reporting				
Service: Reports and Advice to the Parliament				
Service standards				
<i>Effectiveness measures</i>				
Parliament's overall satisfaction with services (index points)		80	76	80
Audit entities' overall satisfaction with performance audit services (index points)		80	77	80
Percentage of performance audit recommendations implemented by audited entities (%)	1	New measure	New measure	100%
Benefits from performance audits (benefit-cost ratio)	2	New measure	New measure	> 1
<i>Efficiency measures</i>				
Average costs of reports tabled - Results of financial audits (\$'000)		175	184	175
Average costs of reports tabled - Results of performance audits (\$'000)	3	410	330	390
Average time taken to produce reports - Results of financial audits – from applicable balance dates (months)		5	5.3	5

Queensland Audit Office	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service area: Independent Public Sector Auditing and Reporting				
Service: Reports and Advice to the Parliament				
Average time taken to produce reports - Results of performance audits from initiation of audits (months)		<8	8.9	<8
Service: Reports and Advice to the Public Sector				
Service standards <i>Effectiveness measures</i> Audit entities' overall satisfaction with financial audit services (index points)		80	80	80
Financial statement material error (%)	4	New measure	New measure	<5%
<i>Efficiency measures</i> Average cost of financial audits - State entities (\$'000)		60	60	60
Average cost of financial audits - Local government entities (\$'000)		65	61	65

Notes:

1. This is a new outcome measure of QAO's service effectiveness. It moves the focus from performance audit recommendations being accepted to those actually being implemented. This measure provides greater insight into the achievement of our service objective.
2. This is a new outcome measure of our service effectiveness. Recent performance audits have identified direct financial benefits related to improved performance. This measure increases the visibility of this outcome as a ratio of direct financial benefits versus the cost of performance audits.
3. The average cost of reports tabled on the results of performance audits is favourably below target by about 20% due to a number of smaller audits being added to the program and delivered within the year. These audits related to investigations that were not in the performance audit program but were important to report on during the year.
4. This is a new outcome measure of our service effectiveness that directly measures the reliability of the audit opinions issued. Each year the entity preparing financial statements or the auditor may identify errors in the prior year accounts. If these errors are material then corrections are made in the current year statements. Had the material error been identified in the year it occurred it would either need to have been corrected in that year or a qualified audit opinion would have been issued. The number statements with prior year material errors is to be reported in the context of the total number of audit opinions issued for that year.

Staffing¹

Queensland Audit Office	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
Independent public sector auditing services and reporting		190	183	190

Note:

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

Discontinued measures

Performance measures included in the 2014-15 service delivery statements that have been discontinued or replaced are reported in the following table with estimated actual results. For those measures that are being discontinued from the service delivery statement because they do not demonstrate the effectiveness or efficiency of services, please refer to the Notes below for further information about where these measures will continue to be reported.

Queensland Audit Office	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards				
Percentage of performance audit recommendations agreed to by audited entities	1	95	100	Discontinued measure
Percentage of financial audit recommendations agreed to by audited entities	1	95	95	Discontinued measure
Percentage of quality assurance reviews that substantively comply with auditing standards	2	100	93	Discontinued measure

Notes:

1. This is a process measure and not an outcome measure as it is focused on whether recommendations are accepted by audited entities.
2. This is a process measure that is focused on whether audits services are delivered in compliance with audit standards. This measure confirms that we have performed our services in the required way but does not measure the outcome.

Budgeted financial statements

Analysis of budgeted financial statements

An analysis of the Queensland Audit Office's budgeted financial statements for 2015-16 is provided below.

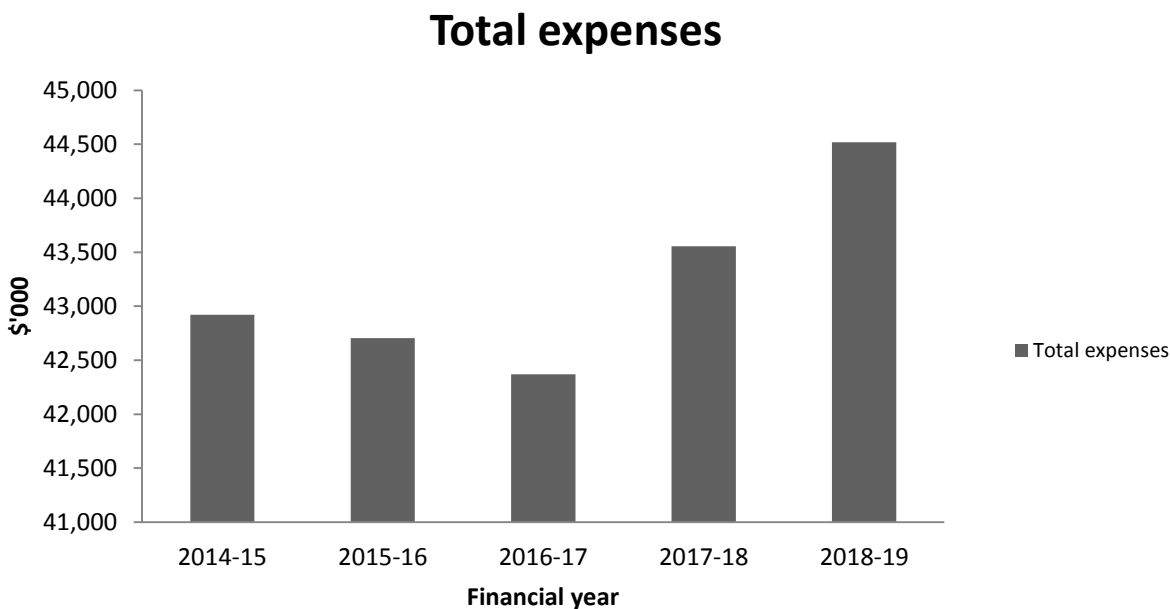
Departmental income statement

Total expenses are estimated to be \$42.7 million in 2015-16, a decrease of \$0.2 million compared to the 2014-15 Estimated Actual of \$42.9 million, and \$4.3 million higher than the 2014-15 Budget of \$38.4 million. The decrease against the 2014-15 Estimated Actual and the 2015-16 Budget is largely within Supplies and services and is due to reduced use of contracted-in staff and lower contracted-out auditing services. The variance between the 2015-16 Budget and the 2014-15 Budget is because contracted-out auditing services were under budgeted. Audits subject to re-tender at the time of the 2014-15 Budget were inadvertently excluded from the 2014-15 budget estimate.

Spending on contracted-out auditing services continues to be a significant component of QAO's business, representing \$12.0 million of the \$20.4 million Supplies and services budget in 2015-16. The use of outsourced audit services, which is expected to increase in the 2016-17 financial year, provides QAO with the opportunity to improve audit practice and enhance sector, industry and client-specific expertise by maintaining close working relationships with contract auditors. It also enables QAO to optimise audit services, while supporting regional employment, as the proportion of audits outsourced to remote parts of the State increases.

The decrease in budgeted Employee expenses for the 2014-15 Budget against the 2014-15 Estimated Actual of \$1.3 million is largely due to lower staff numbers and a more efficient mix of staff with a greater proportion at lower levels. The projected increase in total expenses from 2016-17 is mainly due to the impact of Enterprise Bargaining arrangements on employee expenses, and annual indexation of contractual arrangement costs.

Chart: Total departmental expenses across the Forward Estimates period



Departmental balance sheet

QAO's major asset holdings in 2015-16 are Cash \$3.1 million, Receivables \$4.2 million and work-in-progress \$2.5 million. Cash is expected to reduce as a result of forecast losses in 2015-16. These losses are based on currently approved fee rates, which have not been increased since 2011. QAO also plans to use cash reserves accumulated from prior years to fund investment in the replacement of legacy finance and practice management systems. QAO's major liability, which relates to Payables, is not expected to change markedly over the forward estimates.

Controlled income statement

Queensland Audit Office	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
INCOME				
Appropriation revenue	1	6,486	6,343	6,401
Taxes		..	..	..
User charges and fees	2,5,9	31,315	36,846	34,825
Royalties and land rents		..	..	..
Grants and other contributions		200	275	275
Interest		..	..	..
Other revenue		354	367	455
Gains on sale/revaluation of assets		..	..	..
Total income		38,355	43,831	41,956
EXPENSES				
Employee expenses	3,6,10	22,178	20,834	21,637
Supplies and services	4,7,11	15,915	21,670	20,385
Grants and subsidies		..	..	..
Depreciation and amortisation	8,12	113	141	432
Finance/borrowing costs		..	..	..
Other expenses		166	277	250
Losses on sale/revaluation of assets		..	..	..
Total expenses		38,372	42,922	42,704
OPERATING SURPLUS/(DEFICIT)		(17)	909	(748)

Controlled balance sheet

Queensland Audit Office	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
CURRENT ASSETS				
Cash assets		3,560	4,728	3,109
Receivables	13,16,20	3,721	4,408	4,198
Other financial assets		..	..	..
Inventories		..	..	..
Other		2,930	2,904	2,904
Non financial assets held for sale		..	..	..
Total current assets		10,211	12,040	10,211
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	14,17	150	567	587
Intangibles	15,18,21	650	50	994
Other		10	10	10
Total non-current assets		810	627	1,591
TOTAL ASSETS		11,021	12,667	11,802
CURRENT LIABILITIES				
Payables		1,925	1,924	1,840
Accrued employee benefits		654	648	798
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		2,579	2,572	2,638
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions	19,22	714	714	531
Other		..	..	..
Total non-current liabilities		714	714	531
TOTAL LIABILITIES		3,293	3,286	3,169
NET ASSETS/(LIABILITIES)		7,728	9,381	8,633
EQUITY				
TOTAL EQUITY		7,728	9,381	8,633

Controlled cash flow statement

Queensland Audit Office	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts	23	6,486	6,343	6,401
User charges and fees	24,28,32	34,532	41,170	38,569
Royalties and land rent receipts		..	..	..
Grants and other contributions		..	..	..
Interest received		..	..	..
Taxes		..	..	..
Other		354	646	455
Outflows:				
Employee costs	25,29,33	(22,103)	(20,689)	(21,493)
Supplies and services	26,30,34	(17,690)	(22,959)	(22,388)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(1,812)	(1,859)	(1,767)
Net cash provided by or used in operating activities		(233)	2,652	(223)
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets	27,31,35	(700)	(471)	(1,396)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		(700)	(471)	(1,396)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		..	..	..
Net increase/(decrease) in cash held		(933)	2,181	(1,619)
Cash at the beginning of financial year		4,493	2,547	4,728
Cash transfers from restructure		..	..	..
Cash at the end of financial year		3,560	4,728	3,109

Explanation of variances in the financial statements

Income statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

1. A decrease in Appropriation revenue mainly due to contribution to whole-of-government Microsoft Premier Support Services licences.
2. An increase in User charges and fees due to contracted-out auditing services being under budgeted (audits subject to re-tender at the time of the 2014-15 Budget were inadvertently excluded from the 2014-15 budget estimate), higher staff utilisation and additional revenue in relation to the National Disaster Relief and Recovery Arrangement acquittal to the Commonwealth.
3. A decrease in Employee expenses due to lower staff numbers in auditing services as a result of natural attrition and a more efficient mix of staff with a greater proportion at lower levels.
4. An increase in Supplies and services mainly due to contracted-out auditing services being under budgeted (audits subject to re-tender at the time of the 2014-15 Budget were inadvertently excluded from the 2014-15 budget estimate), higher seasonal use of contracted-in auditors and other specialist contractors and professional fees for projects.

Major variations between 2014-15 Budget and 2015-16 Budget include:

5. An increase in User charges and fees due to contracted-out auditing services being under budgeted (audits subject to re-tender at the time of the 2014-15 Budget were inadvertently excluded from the 2014-15 budget estimate).
6. A decrease in Employee expenses due to re-alignment of budget assumptions to reflect actual leave taken during the year.
7. An increase in Supplies and services mainly due to contracted-out auditing services being under budgeted (audits subject to re-tender at the time of the 2014-15 Budget were inadvertently excluded from the 2014-15 budget estimate), professional fees associated with the replacement of the legacy finance and practice management systems and cyclical replacement of computer laptops.
8. An increase in Depreciation and amortisation mainly due to replacement of legacy finance and practice management systems and ICT work program.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

9. A decrease in User charges and fees due to a smaller financial audit program workload.
10. An increase in Employee expenses due to higher staff numbers and approved salary increases under the Enterprise Bargaining arrangements.
11. A decrease in Supplies and services mainly due to reduced use of contracted-in staff and lower contracted-out auditing services.
12. An increase in Depreciation and amortisation mainly due to replacement of legacy finance and practice management systems and ICT work program.

Balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

13. An increase in Current receivables due to higher user charges and fees.
14. An increase in Property, plant and equipment due to ICT work program.
15. A decrease in Intangibles due to delay in the replacement of legacy finance and practice management systems.

Major variations between 2014-15 Budget and 2015-16 Budget include:

16. An increase in Current receivables due to higher user charges and fees.
17. An increase in Property, plant and equipment due to minor works expenditure to maintain and replace current office and IT equipment and ICT work program.

18. An increase in Intangibles due to additional costs in the replacement of legacy finance and practice management systems and integrated public sector audit management software.
19. A decrease in Non-current provisions due to the market based rental increments under QAO's accommodation lease which are to be recognised and expensed over the full term of the lease.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

20. A decrease in Current receivables due to lower user charges and fees.
21. An increase in Intangibles due to additional costs in the replacement of legacy finance and practice management systems and integrated public sector audit management software.
22. A decrease in Non-current provisions due to the market based rental increments under QAO's accommodation lease which are to be recognised and expensed over the full term of the lease.

Cash flow statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

23. A decrease in Appropriation receipts mainly due to contribution to whole-of-government Microsoft Premier Support Services licences.
24. An increase in User charges and fees due to contracted-out auditing services being under budgeted (audits subject to re-tender at the time of the 2014-15 Budget were inadvertently excluded from the 2014-15 budget estimate), higher staff utilisation and additional revenue in relation to the National Disaster Relief and Recovery Arrangement acquittal to the Commonwealth.
25. A decrease in Employee costs due to lower staff numbers in auditing services as a result of natural attrition, a more efficient mix of staff with a greater proportion at lower levels and re-alignment of budget assumptions to reflect actual leave taken during the year.
26. An increase in Supplies and services mainly due to contracted-out auditing services being under budgeted (audits subject to re-tender at the time of the 2014-15 Budget were inadvertently excluded from the 2014-15 budget estimate), higher seasonal use of contracted-in auditors and other specialist contractors and professional fees for projects.
27. A decrease in Payments for non financial assets mainly due to delay in replacement of legacy finance and practice management systems, partially offset by ICT work program.

Major variations between 2014-15 Budget and 2015-16 Budget include:

28. An increase in User charges and fees due to contracted-out auditing services being under budgeted (audits subject to re-tender at the time of the 2014-15 Budget were inadvertently excluded from the 2014-15 budget estimate).
29. A decrease in Employee costs due to re-alignment of budget assumptions to reflect actual leave taken during the year.
30. An increase in Supplies and services mainly due to contracted-out auditing services being under budgeted (audits subject to re-tender at the time of the 2014-15 Budget were inadvertently excluded from the 2014-15 budget estimate), professional fees associated with replacement of legacy finance and practice management systems and cyclical replacement of computer laptops.
31. An increase in Payments for non financial assets mainly due to additional costs for projects (including replacement of legacy finance and practice management systems and integrated public sector audit management software) and to maintain and replace current office and IT equipment.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

32. A decrease in User charges and fees due to a smaller financial audit program workload.
33. An increase in Employee costs due to higher staff numbers and approved salary increases under the Enterprise Bargaining arrangements.
34. A decrease in Supplies and services due to reduced use of contracted-in staff and lower contracted-out auditing services.
35. An increase in Payments for non financial assets mainly due to additional costs for projects (including legacy finance and practice management systems and integrated public sector audit management software) and to maintain and replace current office and IT equipment, partially offset by ICT work program.

Glossary of terms

Accrual accounting	Recognition of economic events and other financial transactions involving revenue, expenses, assets, liabilities and equity as they occur and reporting in financial statements in the period to which they relate, rather than when a flow of cash occurs.
Administered items	Assets, liabilities, revenues and expenses an entity administers, without discretion, on behalf of the government.
Agency/entity	Used generically to refer to the various organisational units within government that deliver services or otherwise service government objectives. The term can include departments, commercialised business units, statutory bodies or other organisations established by executive decision.
Appropriation	Funds issued by the Treasurer, under Parliamentary authority, to agencies during a financial year for: delivery of agreed services administered items adjustment of the government's equity in agencies, including acquiring of capital.
Balance sheet	A financial statement that reports the assets, liabilities and equity of an entity as at a particular date.
Capital	A term used to refer to an entity's stock of assets and the capital grants it makes to other agencies. Assets include property, plant and equipment, intangible items and inventories that an entity owns/controls and uses in the delivery of services.
Cash Flow Statement	A financial statement reporting the cash inflows and outflows for an entity's operating, investing and financing activities in a particular period.
Controlled Items	Assets, liabilities, revenues and expenses that are controlled by departments. These relate directly to the departmental operational objectives and arise at the discretion and direction of that department.
Depreciation	The periodic allocation of the cost of physical assets, representing the amount of the Museum asset consumed during a specified time.
Equity	Equity is the residual interest in the assets of the entity after deduction of its liabilities. It usually comprises the entity's accumulated surpluses/losses, capital injections and any reserves.
Equity injection	An increase in the investment of the government in a public sector agency.

Financial statements	Collective description of the Income Statement, the Balance Sheet and the Cash Flow Statement for an entity's controlled and administered activities.
Income statement	A financial statement highlighting the accounting surplus or deficit of an entity. It provides an indication of whether the entity has sufficient revenue to meet expenses in the current year, including non-cash costs such as depreciation.
Machinery-of-government	The redistribution of the public business of one government agency to another government agency. Also referred to as MoG.
Outcomes	Whole-of-government outcomes are intended to cover all dimensions of community wellbeing. They express the current needs and future aspirations of communities, within a social, economic and environment context.
Own-source revenue	Revenue that is generated by an agency, generally through the sale of goods and services, but it may also include some Commonwealth funding.
Priorities	Key policy areas that will be the focus of government activity.
Services	The actions or activities (including policy development) of an agency which contribute to the achievement of the agency's objectives.

For a more detailed Glossary of Terms, please refer to the Reader's Guide available on the Budget website at www.budget.qld.gov.au

