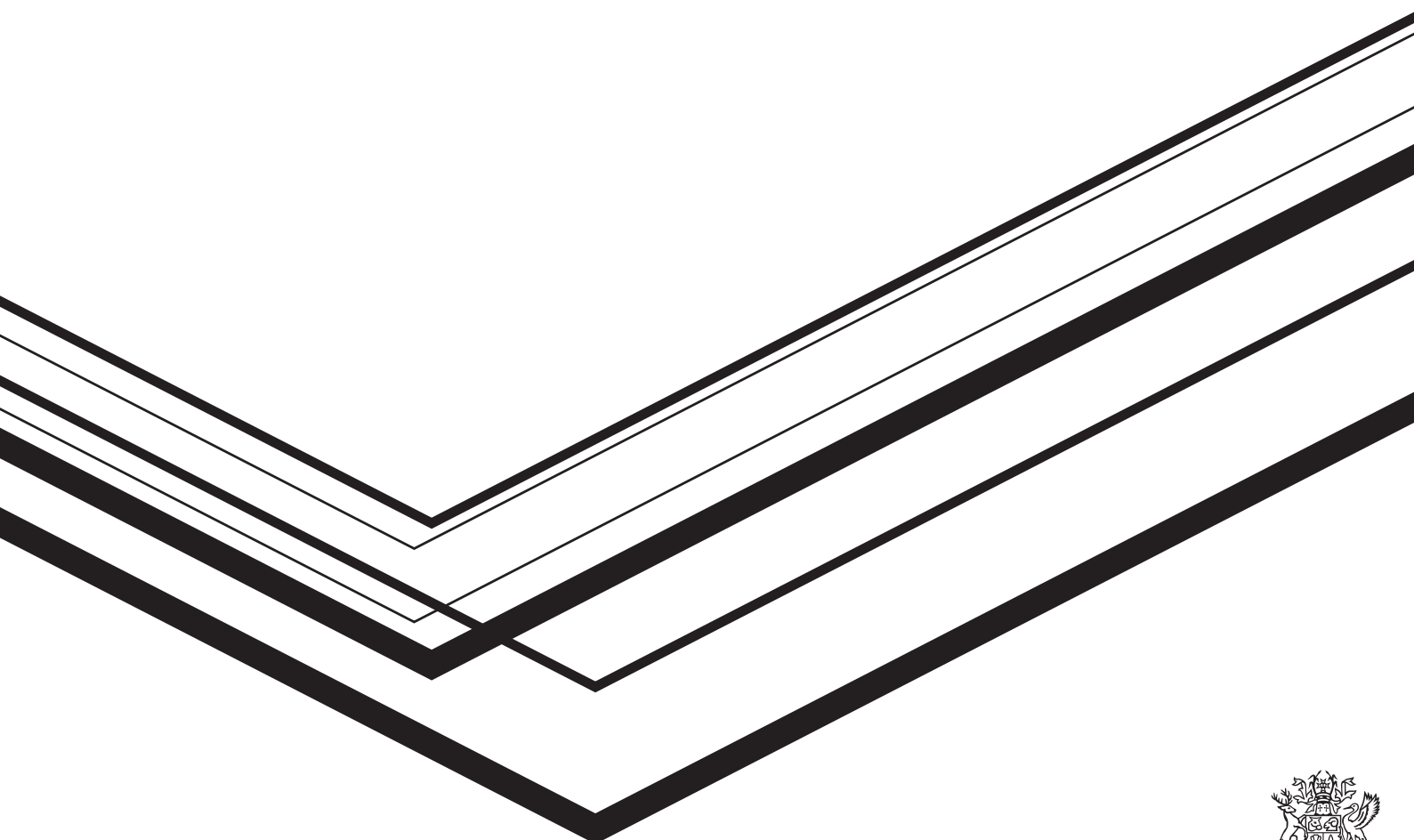


Service Delivery Statements

# **Department of State Development**



# **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](http://www.budget.qld.gov.au)

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## **Service Delivery Statements**

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## Department of State Development

### Summary of portfolio

Page	Department of State Development
2	Department of State Development - controlled
	Department of State Development - administered

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# Portfolio overview

## Ministerial and portfolio responsibilities

The table below represents the agencies and services which are the responsibility of the Minister for State Development and Minister for Natural Resources and Mines:

<b>Minister for State Development and Minister for Natural Resources and Mines</b>
----------------------------------------------------------------------------------------

<b>The Honourable Dr Anthony Lynham MP</b>
--------------------------------------------

<b>Department of State Development</b>
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<b>Director-General: David Edwards</b>
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<b>Service area 1:</b> Driving Business Development, Economic Growth and Job Creation
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<b>Service area 2:</b> Assessing, Approving, Facilitating and Delivering Major Projects
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Additional information can be sourced from: <http://www.statedevelopment.qld.gov.au/>

# Departmental overview

The Department of State Development is the lead agency driving Queensland's economic prosperity and championing the interests of business and industry for the benefit of all Queenslanders. Our vision is that Queensland's economy is Australia's strongest and we achieve this through our objectives of:

- driving business development, economic growth and job creation
- assessing, approving, facilitating and delivering major projects.

The department brings together the functions of the Coordinator-General, economic and regional development, major project delivery, and government property management into a strong, influential lead agency. We contribute to the Queensland Government's objectives for the community by delivering policies, projects and programs which seek to create jobs and a diverse economy; protect the environment; build safe, caring and connected communities; and delivering quality frontline services. This is achieved through the department's objectives by:

- fast-tracking delivery of major resource, industrial development and infrastructure projects
- building and maintaining confidence in government's capacity to lead and deliver on state development opportunities for Queensland's future
- removing regulatory bottlenecks and impediments to investment and job creation
- generating economic activity through the development or disposal of surplus government property
- creating jobs and growth through efficient and thorough assessment of major projects by streamlining processes and facilitating project delivery
- providing whole-of-government case management to attract increased private capital expenditure
- encouraging major economic development and public infrastructure projects by ensuring suitable land is available.

The Queensland economy is currently in a period of transition. The economy faces challenges, including lower commodity prices and the transition of the LNG industry from the investment phase to the export phase. The ramp up in LNG exports over the next two years, and a recovery in domestic final demand in later years, will underpin growth. Queensland has a modern and diversified economy. Growth opportunities include residential construction, professional and business related services, retail trade and health. Other growth opportunities for the Queensland economy include tourism, agribusiness, defence and international education and continuing increased exports of LNG.

Key priorities for the department into the future include:

- facilitating new investment and delivering our capital program providing increased job opportunities
- focussing our resources on global supply chains and regional strategies to promote competitiveness and growth
- increasing private capital expenditure in Queensland through a central point of contact and whole-of-government case management to create jobs
- adding value to government land by minimising risk to investment through uplift opportunities (such as changes to land tenure) to stimulate economic development and increase opportunities for job creation
- increasing economic development opportunities on government land by creating mixed use facilities on existing hubs.

# Service performance

## Service approach

The service area structure presented reflects the machinery-of-government changes, effective 1 March 2015, under which the department was renamed from the Department of State Development, Infrastructure and Planning to the Department of State Development. As a result of the machinery-of-government changes, two service areas transferred to the Department of Infrastructure, Local Government and Planning. The transferred service areas are Leading Infrastructure Policy, Planning and Delivery for the State and Reforming Queensland's Planning System. The department retained its other two service areas, Driving Business Development, Economic Growth and Job creation and Assessing, Approving, Facilitating and Delivering Major Projects. These service areas directly reflect the department's strategic objectives.

## Performance statement

### Driving Business Development, Economic Growth and Job Creation

#### Service area objective

To boost business development, increase economic growth and stimulate job creation opportunities.

#### Service area description

This service area is delivering on the department's objective to deliver policies, projects and programs that drive business development, economic growth and job creation consistent with the Government's economic development agenda. This service area drives the expansion of Queensland's economic growth as benchmarked against the global economy and comparable jurisdictions by:

- realising government policy as an enabler of economic growth
- leading industry and regional growth programs and regulatory reform
- generating economic development and employment from improvement activities or divestment of surplus government property
- enabling growth and jobs through efficient assessment of key projects, coordinated projects and development in State Development Areas (SDAs)
- assisting Queensland-based companies to capture an increased amount of the Australian Government's annual defence spend and increase their level of participation in the global defence supply chain
- strengthening regional Queensland through catalytic investment enabled by the Building our Regions program
- providing whole-of-government advice on economic growth initiatives to boost economic development and increase investment across the whole of Queensland for sustainable job creation.

#### 2015-16 service area highlights

- Create economic hubs of activity to increase investment and job creation.
- Facilitate private sector investment by case managing regionally significant private sector projects in key industry sectors.
- Maximise the opportunity for participation of Queensland businesses in regionally significant public and private sector projects and emerging opportunities in key sectors including defence.
- Establish and lead an Industry and Manufacturing Advisory Group to ensure that industry policy and programs are responding to industry priorities and facilitating sectoral growth and job creation.

- Deliver strong and sustainable communities by maximising local industry participation in resource projects, reviewing fly-in, fly-out (FIFO) workforce arrangements and developing a policy framework to deliver optimal outcomes from workforce arrangements in the resource sector.
- Roll out the new Building our Regions program and complete projects from previous program funding rounds.
- Implement industry and regional development strategies that enable economic growth and job creation.
- Foster economic development while protecting the Great Barrier Reef through implementing the Government's port related commitments in the Reef 2050 Long-Term Sustainability Plan with stand-alone legislation, and progressing master planning for the priority ports of Gladstone, Hay Point/Mackay, Townsville and Abbot Point.
- Derive significant community benefit from the use of surplus and underutilised government property by unlocking opportunities for value uplift, economic development, job creation and improved service delivery outcomes.

Department of State Development	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
<b>Service area: Driving Business Development, Economic Growth and Job Creation</b>	1			
<b>Service standards</b>				
<i>Effectiveness measures</i>				
Value of private sector capital investment leveraged through industry facilitation				
State Development (SD)				(SD) \$260M
Major Projects Office (MPO)	2	\$277M	\$330M	(MPO) \$4M
Percentage of land transactions being delivered which meet committed timeframes	3	New measure	New measure	90%
Value of infrastructure investment enabled through the Final Round Royalties for the Regions	4	\$230M	\$134M	\$230M
<i>Efficiency measures</i>				
Percentage of land transactions being delivered which meet approved revenue targets	5	New measure	New measure	90%
Private sector capital investment leveraged per dollar spent on industry facilitation				
State Development (SD)				(SD) \$31
Major Projects Office (MPO)	6	\$23	\$35	(MPO) \$15
Value of infrastructure investment enabled per dollar invested in the management of the Final Round Royalties for the Regions	7	\$100	\$107	\$207

Notes:

1. The service area is amended to better reflect the whole-of-government priority to 'create jobs and a diverse economy'. This service area was previously 'Driving Business and Economic Growth'.
2. In 2014-15 this service standard is reported as a total for all contributing business areas. The variance between the 2014-15 Target Estimate of \$277 million and the 2014-15 Estimated Actual of \$330 million is largely due to the awarding of a contract for a major defence project by Defence Industries Queensland. In 2015-16 this service standard will be reported with the target estimate for each contributing business area: State Development (SD) and Major Projects Office (MPO). The decrease in the 2015-16 Target Estimate from the 2014-15 Target Estimate is due to the number of projects scheduled for the 2015-16 year by the Major Projects Office.

3. An increase in the percentage of projects meeting committed timeframes demonstrates the effectiveness of processes and activities implemented to simplify and streamline transaction systems. This is an industry standard effectiveness measure.
4. The variance between the 2014-15 Target Estimate of \$230 million and the 2014-15 Estimated Actual of \$134 million is due to the funds being allocated as appropriate across the full four years of the program. The overall program amount was as per original program estimates. The 2014-15 Target Estimate and 2014-15 Est. Actual are for the third funding round. This service standard was reported in the 2014-15 SDS under the service area 'Leading Infrastructure Policy and Planning for the State'.
5. This is a new service standard for the 2015-16 SDS. This service standard has been derived from the 2014-15 service standard 'Percentage of land transactions being delivered, which meet committed timeframes and approved revenue targets' which has been separated into two measures—an effectiveness and an efficiency measure. An increase in the percentage of land transactions meeting approved revenue targets (achieving approved budgets) demonstrates the efficiency of reforms implemented to simplify and streamline transaction systems. This is an industry standard efficiency measure.
6. In 2014-15 this service standard is reported as a total for all contributing business areas. The variance between the 2014-15 Target Estimate of \$23.22 and the 2014-15 Estimated Actual of \$35 is largely due to the awarding of a contract for a major defence project by Defence Industries Queensland. In 2015-16 this service standard will be reported with the target estimate for each contributing business area: State Development (SD) and Major Projects Office (MPO). The increase in the 2015-16 Target Estimate from the 2014-15 Target Estimate is due to Mary Valley economic development leases moving into the maintenance phase thus requiring less facilitation services by the Major Projects Office.
7. The variance between the 2014-15 Target Estimate of \$100 and the 2015-16 Target Estimate of \$207 is due to an underestimate in the first round based on limited project data and a better than expected participation by funding recipients. This service standard was reported in the 2014-15 SDS under the service area 'Leading Infrastructure Policy and Planning for the State'.



## Assessing, Approving, Facilitating and Delivering Major Projects

### Service area objective

To assess, approve, facilitate and deliver major projects that stimulate economic growth and job creation.

### Service area description

This service area is focused on facilitating the timely planning and delivery of major projects that drive economic growth and provide job creation opportunities. It provides tailored regulation, advisory, facilitator or delivery services, to support increased economic activity. It is contributing to the Government's objectives of creating jobs and a diverse economy, and protecting the environment, by:

- facilitating and delivering major and coordinated projects that boost the State's economic growth including the development of Queen's Wharf Brisbane, the Gold Coast 2018 Commonwealth Games™ venues, and the Abbot Point Growth Gateway project
- developing and implementing an enhanced bilateral assessment agreement with the Australian Government on environmental impacts
- ongoing improvement of the coordinated project environmental impact assessment process
- facilitating the development of resource industry infrastructure, for example, the North Galilee Basin Rail project
- undertaking appropriate land acquisition programs to deliver economic development and infrastructure initiatives
- providing effective project delivery assistance to proponents.

### 2015-16 service area highlights

- Deliver major projects that create jobs as well as identify new opportunities for economic growth and job creation.
- Deliver economic, social and community benefits through the planning, design and construction of new and upgraded venues and infrastructure for the Gold Coast 2018 Commonwealth Games™.
- Stimulate the construction and tourism sectors through the Queen's Wharf Brisbane and other integrated resort developments.
- Coordinate infrastructure planning within the Abbot Point State Development Area and the Galilee Basin to facilitate rail and other critical infrastructure.
- Progress land acquisition programs in SDAs and infrastructure corridors to facilitate the development of key resources areas and key projects and industries by negotiating agreements with proponents to deliver effective and fair land tenure solutions.
- Monitor and report on FIFO workforce arrangements, housing and living activity in the Bowen and Surat Basins, including assessment of the flow-on social, community and economic impacts of non-resident workers in those regions.

Department of State Development	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
<b>Service area: Assessing, Approving, Facilitating and Delivering Major Projects</b>	1			
<b>Service standards</b> <i>Effectiveness measures</i> Percentage of projects managed, facilitated or delivered which meet committed timeframes	2	New measure	New measure	75%
Average percentage reduction in assessment timeframes resulting from streamlined processes:	3	(CP) 50%	(CP) 57%	(CP) 50%

Department of State Development	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Coordinated Projects (CP) Applications in State Development Areas (SDA)		New measure	New measure	(SDA) 45%
<i>Efficiency measures</i> Percentage of projects managed, facilitated or delivered which meet approved budgets	4	New measure	New measure	75%

Notes:

1. This service area has changed from the 2014-15 SDS and was previously called "Major Project assessment, approval, facilitation and delivery".
2. This is a new service standard for the 2015-16. This service standard has been derived from the 2014-15 service standard Percentage of land transactions being delivered, which meet committed timeframes and approved revenue targets which has been separated into two measures—an effectiveness and an efficiency measure. An increase in the percentage of land transactions meeting committed timeframes demonstrates the effectiveness of reforms implemented to simplify and streamline the system. This is an industry standard effectiveness measure.
3. This service standard has been amended in 2015-16 to include assessment timeframes for Applications in State Development Areas (SDAs) in addition to Coordinated Projects. A reduction in average assessment timeframes demonstrates the effectiveness of processes and activities implemented to simplify and streamline the system.
4. This is a new service standard for the 2015-16 SDS. This service standard has been derived from the 2014-15 service standard Percentage of projects being managed, delivered or facilitated, which meet committed timeframes and approved budgets which has been separated into two measures—an effectiveness and an efficiency measure. An increase in the percentage of projects meeting approved budgets demonstrates the efficiency of processes and activities implemented to simplify and streamline the system. This is an industry standard efficiency measure.

## **Administered items**

Administered activities are those undertaken by departments on behalf of the Queensland Government.

The Department of State Development administers funds on behalf of the State for the GasFields Commission Queensland.

The GasFields Commission Queensland is provided with a grant of \$2.5 million, administered through the department, and exists to manage and improve sustainable coexistence among rural landholders, regional communities and the onshore gas industry in Queensland.

Financial statements 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 which 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 State Development	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
<b>Service area: Driving Business Development, Economic Growth and Job Creation</b>				
Percentage of land transactions being delivered which meet committed timeframes and approved revenue targets	1	75%	75%	Discontinued measure
<b>Service area: Assessing, Approving, Facilitating and Delivering Major Projects</b>				
Percentage of industry proponents indicating they are satisfied with services provided for the management, delivery or facilitation of projects.	2	75%	N/A	Discontinued measure
The number of statutory decisions made by the Coordinator-General.	3	100	98	Discontinued measure
Percentage of projects being managed, delivered or facilitated, which meet committed timeframes and approved budgets	4	75%	95%	Discontinued measure
<b>Service area: Reforming Queensland's Planning System</b>	5			
Percentage of stakeholders indicating they are satisfied with Queensland's simplified planning system	5	80%	76%	Discontinued measure
Percentage of total decisions or referral responses where the state is the Assessment Manager or Concurrence Agency are appealed	5	Less than 2%	N/A	Discontinued measure
Percentage of total referral responses or decision notices issued that do not require an additional information request	5	70%	N/A	Discontinued measure

Notes:

1. This service standard has been superseded to better reflect the efficiency and effectiveness of the land transaction business.
2. This service standard is being discontinued in 2015-16 as this is a satisfaction measure which primarily relates to stakeholder views about changes to processes, not the effectiveness or efficiency of the service. This information will be reported through other mechanisms, for example the department's Annual Report. Due to the 2015 election and the subsequent machinery-of-government changes, the department was unable to proceed with a meaningful survey of clients for the 2014-15 period. The client survey program will be continued following a review of the remaining service areas and re-development of the survey instrument.
3. This service standard is being discontinued in 2015-16 as this is an activity measure which is not a measure of effectiveness or efficiency.
4. This service standard has been superseded to better reflect the efficiency and effectiveness of the project delivery business.
5. This service and service standards have been transferred to the Department of Infrastructure, Local Government and Planning following the Machinery-of-Government changes.

# 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.

Department of State Development	2014-15 Budget \$'000	2014-15 Est. Actual \$'000	2015-16 Budget \$'000
<b>CONTROLLED</b>			
<b>Income</b>			
Appropriation revenue <sup>1</sup>			
Deferred from previous year/s	66,465	28,681	76,452
Balance of service appropriation	265,518	148,099	318,430
Other revenue	66,698	71,209	226,385
<b>Total income</b>	<b>398,681</b>	<b>247,989</b>	<b>621,267</b>
<b>Expenses</b>			
Driving business development, economic growth and job creation	233,037	104,080	331,033
Assessing, approving, facilitating and delivering major projects	135,527	119,921	289,105
Machinery of Government Impacts	27,700	27,700	..
<b>Total expenses</b>	<b>396,264</b>	<b>251,701</b>	<b>620,138</b>
<b>Operating surplus/deficit</b>	<b>2,417</b>	<b>(3,712)</b>	<b>1,129</b>
<b>Net assets</b>	<b>349,171</b>	<b>278,320</b>	<b>228,444</b>
<b>ADMINISTERED</b>			
<b>Revenue</b>			
Commonwealth revenue	..	..	..
Appropriation revenue	27,433	27,433	2,500
Other administered revenue	7,202	7,202	..
<b>Total revenue</b>	<b>34,635</b>	<b>34,635</b>	<b>2,500</b>
<b>Expenses</b>			
Transfers to government	10,803	7,202	..
Administered expenses	29,428	27,433	2,500
<b>Total expenses</b>	<b>40,231</b>	<b>34,635</b>	<b>2,500</b>
<b>Net assets</b>	<b>..</b>	<b>..</b>	<b>..</b>

Note:

1. Includes State and Commonwealth funding.

## Service area sources of revenue

Sources of revenue 2015-16 Budget <sup>1</sup>					
Service area	Total cost \$'000	State contribution \$'000	User charges and fees \$'000	C'wealth revenue \$'000	Other revenue \$'000
Driving business development, economic growth and job creation	331,033	323,339	6,856	1,021	101
Assessing, approving, facilitating and delivering major projects	289,105	70,522	219,379	..	49
<b>Total</b>	<b>620,138</b>	<b>393,861</b>	<b>226,235</b>	<b>1,021</b>	<b>150</b>

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*.

Department of State Development	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
<b>Revenue measures</b>					
Up to and including 2014-15 MYR					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..
2015-16 Budget					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..
<b>Total revenue measures</b>					
<b>Administered</b>	..	..	..	..	..
<b>Departmental</b>	..	..	..	..	..
<b>Expense measures</b>					
Up to and including 2014-15 MYR					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..
2015-16 Budget					
Administered	..	..	..	..	..
Departmental	(1,500)	28,795	61,115	6,710	6,714
<b>Total expense measures</b>					
<b>Administered</b>	..	..	..	..	..
<b>Departmental<sup>1</sup></b>	<b>(1,500)</b>	<b>28,795</b>	<b>61,115</b>	<b>6,710</b>	<b>6,714</b>
<b>Capital measures</b>					
Up to and including 2014-15 MYR					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..
2015-16 Budget					
Administered	..	..	..	..	..
Departmental	..	..	25,000	35,000	35,000
<b>Total capital measures</b>					
<b>Administered</b>	..	..	..	..	..
<b>Departmental<sup>1</sup></b>	..	..	<b>25,000</b>	<b>35,000</b>	<b>35,000</b>

## Departmental capital program

The focus of the Department of State Development's capital expenditure for 2015-16 is on progressing key government priorities of driving business and economic growth and facilitating major project assessment, approval and delivery. This includes \$2.8 million for continuing to secure land and establishing easement for future industry development within the Materials Transportation and Services Corridor Precinct in the Gladstone State Development Area; continuing to acquire strategic land parcels in the Targinnie Precinct via \$500,000 land compensation payments to former landowners; and \$400,000 for compensation payments for the acquisitions of land in the Townsville Eastern Port Access Corridor.

## Capital budget

Department of State Development	Notes	2014-15 Adjusted Budget \$'000	2014-15 Est. Actual \$'000	2015-16 Budget \$'000
<b>Capital purchases</b>	1			
Total land, buildings and infrastructure	2,3	..	7,254	3,804
Total plant and equipment	4	1,685	1,997	521
Total other capital		..	491	..
<b>Total capital purchases</b>		<b>1,685</b>	<b>9,742</b>	<b>4,356</b>

Notes:

- For more detail on the agency's capital acquisitions please refer to Budget Paper 3.
- The increase between 2014-15 Adjusted Budget and 2014-15 Estimated Actual was largely due to the settlement of land acquisitions claims associated with the Townsville Eastern Access Corridor and Targinnie Precinct ahead of schedule with finds returned from 2015-16 to meet these claims.
- The increase between 2014-15 Adjusted Budget and 2015-16 Budget is due to anticipated land acquisitions in the Material Transport Services Corridor in the Gladstone State Development Area.
- The decrease between 2014-15 Adjusted Budget and 2014-15 Estimated Actual to the 2015-16 Budget is due to the finalisation of projects for the Queensland Fluoride Assistance Scheme and Abbot Point Indigenous Land Usage Agreement.



## Staffing<sup>1, 2</sup>

Service areas	Notes	2014-15 Adjusted Budget	2014-15 Est. Actual	2015-16 Budget
Driving Business Development, Economic Growth and Job Creation		367	383	396
Assessing, Approving, Facilitating and Delivering Major Projects		218	226	192
<b>TOTAL</b>	3,4	<b>585</b>	<b>609</b>	<b>588</b>

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate FTEs are allocated across the service to which they relate.
3. The department participates in a partnership arrangement in the delivery of its services, whereby corporate FTEs are hosted by the department to work across multiple departments.
4. The increase in the 2014-15 Estimated Actual and subsequent decrease in 2015-16 Budget is due to temporary staff engaged for Commonwealth Games venue projects and other high priority projects.

# Budgeted financial statements

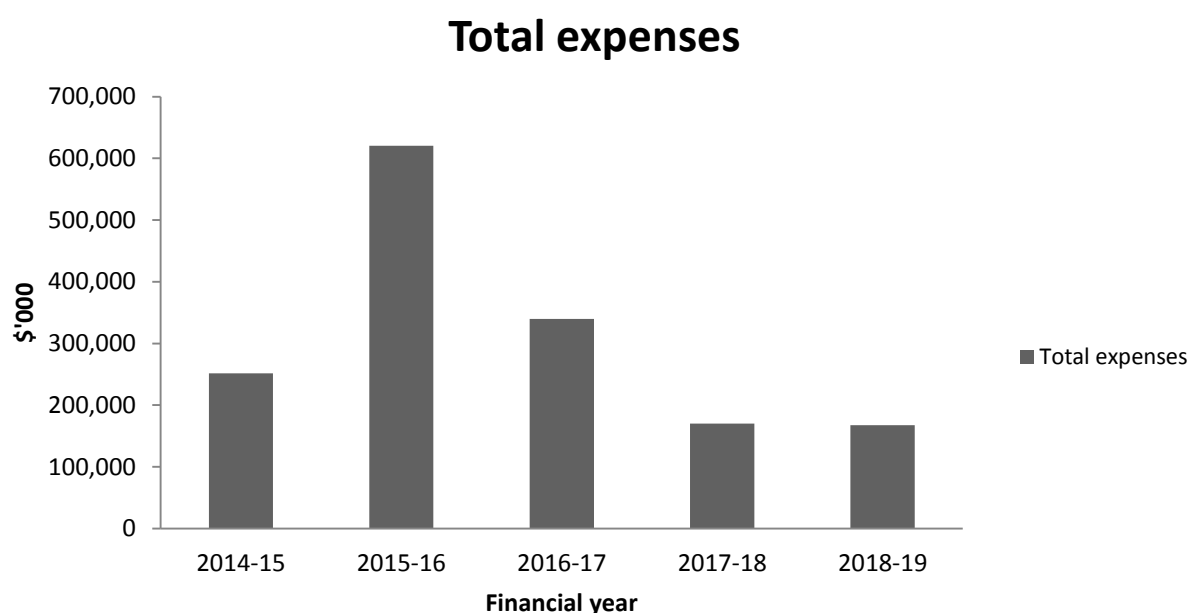
## Departmental income statement

Total expenses are estimated to be \$620.1 million in 2015-16, an increase of \$368.4 million from 2014-15. This is due to a higher level of expenditure for the Royalties for Regions (fourth and final round) program in 2015-16, new funding for the Building our Regions - Regional Infrastructure Fund and Townsville Stadium, the realignment of funds for high priority projects in 2015-16 and increased expenses for Commonwealth Games Venues.

The total expenses estimate in 2016-17 decreases significantly as a result of Commonwealth Games Venues expenditure peaking in 2015-16.

The decline from 2017-18 onwards reflects a reduction in capital grants.

**Chart: Total departmental expenses across the Forward Estimates period**



## Departmental balance sheet

The department's major assets consist of property, plant and equipment (\$338 million). This figure is expected to decrease in 2015-16, as land and building holdings decline particularly in the Mary Valley. From 2016-17, the construction of the Townsville Stadium will see the property, plant and equipment balance increase. The department's main liability is \$80 million relating to Queensland Treasury Corporation borrowings, predominately for state infrastructure at the Port of Gladstone, with repayments in accordance with the loan schedule.

# Controlled income statement

Department of State Development	Notes	2014-15 Adjusted Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
<b>INCOME</b>				
Appropriation revenue	1,7,14	331,983	176,780	394,882
Taxes		..	..	..
User charges and fees	2,8,15	66,548	69,825	226,235
Royalties and land rents		..	..	..
Grants and other contributions		150	1,384	150
Interest		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
<b>Total income</b>		<b>398,681</b>	<b>247,989</b>	<b>621,267</b>
<b>EXPENSES</b>				
Employee expenses	3,9,16	78,272	90,385	68,438
Supplies and services	4,10,17	168,433	128,703	310,136
Grants and subsidies	5,11,18	134,675	18,348	230,498
Depreciation and amortisation	12,19	9,069	9,399	8,298
Finance/borrowing costs	6,13,20	5,453	4,374	2,276
Other expenses		362	492	492
Losses on sale/revaluation of assets		..	..	..
<b>Total expenses</b>		<b>396,264</b>	<b>251,701</b>	<b>620,138</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>2,417</b>	<b>(3,712)</b>	<b>1,129</b>

# Controlled balance sheet

Department of State Development	Notes	2014-15 Adjusted Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
<b>CURRENT ASSETS</b>				
Cash assets		8,022	6,879	6,644
Receivables	21	2,348	4,179	3,490
Other financial assets		..	..	..
Inventories		..	..	..
Other		643	867	690
Non financial assets held for sale	22,28,33	..	40,620	30,390
<b>Total current assets</b>		<b>11,013</b>	<b>52,545</b>	<b>41,214</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	23,29,34	457,239	347,496	291,684
Intangibles		4,691	4,099	4,081
Other		10,830	10,831	10,229
<b>Total non-current assets</b>		<b>472,760</b>	<b>362,426</b>	<b>305,994</b>
<b>TOTAL ASSETS</b>		<b>483,773</b>	<b>414,971</b>	<b>347,208</b>
<b>CURRENT LIABILITIES</b>				
Payables	24,30	27,801	18,957	18,527
Accrued employee benefits		738	2,322	2,324
Interest bearing liabilities and derivatives	25,35	9,739	19,359	9,343
Provisions	26,36	17,362	10,872	14,554
Other	27,31,37	322	4,500	2,551
<b>Total current liabilities</b>		<b>55,962</b>	<b>56,010</b>	<b>47,299</b>
<b>NON-CURRENT LIABILITIES</b>				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives	32,38	72,308	73,143	65,724
Provisions	39	6,332	7,200	5,467
Other		..	298	274
<b>Total non-current liabilities</b>		<b>78,640</b>	<b>80,641</b>	<b>71,465</b>
<b>TOTAL LIABILITIES</b>		<b>134,602</b>	<b>136,651</b>	<b>118,764</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>349,171</b>	<b>278,320</b>	<b>228,444</b>
<b>EQUITY</b>				
<b>TOTAL EQUITY</b>		<b>349,171</b>	<b>278,320</b>	<b>228,444</b>

# Controlled cash flow statement

Department of State Development	Notes	2014-15 Adjusted Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
Appropriation receipts	40,50,60	331,983	176,064	394,882
User charges and fees	41,51,61	78,691	85,268	232,762
Royalties and land rent receipts		..	..	..
Grants and other contributions		150	1,384	150
Interest received		..	..	..
Taxes		..	..	..
Other		23,205	23,192	23,205
<b>Outflows:</b>				
Employee costs	42,52,62	(78,272)	(89,456)	(68,438)
Supplies and services	43,53,63	(171,653)	(146,553)	(331,914)
Grants and subsidies	44,54,64	(133,175)	(14,757)	(230,498)
Borrowing costs	55,65	(5,453)	(4,374)	(2,276)
Other	45,66	(9,277)	(12,391)	(7,482)
<b>Net cash provided by or used in operating activities</b>		<b>36,199</b>	<b>18,377</b>	<b>10,391</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Inflows:</b>				
Sales of non financial assets	46,56	36,944	55,302	53,040
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
<b>Outflows:</b>				
Payments for non financial assets	47,67	(1,685)	(9,742)	(4,356)
Payments for investments		..	..	..
Loans and advances made		..	..	..
<b>Net cash provided by or used in investing activities</b>		<b>35,259</b>	<b>45,560</b>	<b>48,684</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		..	..	..
Equity injections	48,57,68	37,151	31,424	23,505
<b>Outflows:</b>				
Borrowing redemptions	58,69	(8,109)	(8,168)	(7,205)
Finance lease payments		..	..	..
Equity withdrawals	49,59,70	(100,636)	(89,772)	(75,610)
<b>Net cash provided by or used in financing activities</b>		<b>(71,594)</b>	<b>(66,516)</b>	<b>(59,310)</b>
<b>Net increase/(decrease) in cash held</b>		<b>(136)</b>	<b>(2,579)</b>	<b>(235)</b>
<b>Cash at the beginning of financial year</b>		<b>8,281</b>	<b>14,367</b>	<b>6,879</b>
Cash transfers from restructure		(123)	(4,909)	..
<b>Cash at the end of financial year</b>		<b>8,022</b>	<b>6,879</b>	<b>6,644</b>

# Administered income statement

Department of State Development	Notes	2014-15 Adjusted Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
<b>INCOME</b>				
Appropriation revenue	71,75	27,433	27,433	2,500
Taxes		..	..	..
User charges and fees		..	..	..
Royalties and land rents		..	..	..
Grants and other contributions		..	..	..
Interest		..	..	..
Other revenue	72,76	7,202	7,202	..
Gains on sale/revaluation of assets		..	..	..
<b>Total income</b>		<b>34,635</b>	<b>34,635</b>	<b>2,500</b>
<b>EXPENSES</b>				
Employee expenses		..	..	..
Supplies and services		..	..	..
Grants and subsidies	73,77	27,433	27,433	2,500
Depreciation and amortisation		..	..	..
Finance/borrowing costs		..	..	..
Other expenses		..	..	..
Losses on sale/revaluation of assets		..	..	..
Transfers of Administered Revenue to Government	74,78	7,202	7,202	..
<b>Total expenses</b>		<b>34,635</b>	<b>34,635</b>	<b>2,500</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>..</b>	<b>..</b>	<b>..</b>

# Administered balance sheet

Department of State Development	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
<b>CURRENT ASSETS</b>				
Cash assets		..	..	..
Receivables		..	..	..
Other financial assets		..	..	..
Inventories		..	..	..
Other		..	..	..
Non financial assets held for sale		..	..	..
<b>Total current assets</b>		..	..	..
<b>NON-CURRENT ASSETS</b>				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		..	..	..
Intangibles		..	..	..
Other		..	..	..
<b>Total non-current assets</b>		..	..	..
<b>TOTAL ASSETS</b>		..	..	..
<b>CURRENT LIABILITIES</b>				
Payables		..	..	..
Transfers to Government payable		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
<b>Total current liabilities</b>		..	..	..
<b>NON-CURRENT LIABILITIES</b>				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
<b>Total non-current liabilities</b>		..	..	..
<b>TOTAL LIABILITIES</b>		..	..	..
<b>NET ASSETS/(LIABILITIES)</b>		..	..	..
<b>EQUITY</b>				
<b>TOTAL EQUITY</b>		..	..	..

# Administered cash flow statement

Department of State Development	Notes	2014-15 Budget* \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
Appropriation receipts	79,83	27,433	27,433	2,500
User charges and fees		..	..	..
Royalties and land rent receipts		..	..	..
Grants and other contributions		..	..	..
Interest received		..	..	..
Taxes		..	..	..
Other	80,84	7,202	7,202	..
<b>Outflows:</b>				
Employee costs		..	..	..
Supplies and services		..	..	..
Grants and subsidies	81,85	(27,433)	(27,433)	(2,500)
Borrowing costs		..	..	..
Other		..	..	..
Transfers to Government	82,86	(7,202)	(7,202)	..
<b>Net cash provided by or used in operating activities</b>		..	..	..
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Inflows:</b>				
Sales of non financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
<b>Outflows:</b>				
Payments for non financial assets		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
<b>Net cash provided by or used in investing activities</b>		..	..	..
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		..	..	..
Equity injections		..	..	..
<b>Outflows:</b>				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
<b>Net cash provided by or used in financing activities</b>		..	..	..
<b>Net increase/(decrease) in cash held</b>		..	..	..
<b>Cash at the beginning of financial year</b>		..	(1,797)	..
Cash transfers from restructure		..	1,797	..
<b>Cash at the end of financial year</b>		..	..	..

\*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

MoG changes with an effective date of 1 March 2015, resulted in the former Department of State Development, Infrastructure and Planning (DSDIP) being renamed as the Department of State Development. The impact is that the Infrastructure and Planning functions transferred to the Department of Infrastructure, Local Government and Planning, consequently, the 2014-15 Adjusted Budget and 2014-15 Estimated Actuals in the Financial Statements reflect the eight months of activity relating to the transferred functions.

## Income statement

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

1. The decrease primarily relates to the transfer of the Royalties for Regions program funding to the DTMR and the former DLGCRR and deferrals to outyears of high priority projects (including Mission Beach Safe Boating Infrastructure Project, Bundaberg Gas Pipeline project and Great Barrier Reef Ports Reform).
2. The increase reflects development assessment and development scheme fees that transferred from the Economic Development Queensland until the MoG date.
3. The increase is due to the re-alignment of funds from supplies and services, as temporary staff were engaged to assist with high priority projects in preference to engaging contractors. Short term staffing increases also occurred due to the transfer of Economic Development Queensland (EDQ) development assessment and development scheme into the department (funded via user charges for the eight month period until the time of the MoG).
4. The decrease primarily relates to realignment of funding to outyears for high priority projects (including Mission Beach Safe Boating Infrastructure Project and Great Barrier Reef Ports Reform).
5. The decrease relates to the transfer of the Royalties for Regions program funding to DTMR and the former DLGCRR and deferral of funding to 2015-16 for the Bundaberg Gas Pipeline.
6. The decrease is due to a reduction in interest rates on the loan facility.

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

7. The increase primarily relates to the 2015-16 Budget outcome initiative Building Our Regions.
8. The increase is primarily for the recovery of costs for the Commonwealth Games venues with funding received from DTESB in accordance with the construction schedules.
9. The decrease is primarily due to the full year impact of the MoG of infrastructure and planning functions to DILGP and the cessation of temporary project positions.
10. The increase relates to: the 2015-16 Budget outcomes (namely, Townsville Stadium and North Stradbroke Island Economic Transition Strategy); increased Commonwealth Games Venue projects and the deferral of a high priority projects (including Mission Beach Safe Boating Infrastructure Project and Great Barrier Reef Ports Reform).
11. The increase is due to the 2015-16 Budget outcome initiative Building Our Regions plus the increase in Royalties for Regions (fourth and final) program.
12. The decrease represents reduced building holdings at Mary Valley and the full year impact of transfer of assets as part of the MoG changes to DILGP.
13. The decrease is due to a reduction in interest rates on the loan facility.

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

14. The increase is due to a higher level of expenditure for the Royalties for Regions (fourth and final round) program in 2015-16, the 2015-16 Budget outcome initiatives (namely, Building Our Regions and Townsville Stadium) and the deferral of funds from 2014-15 for high priority projects (including Mission Beach Safe Boating Infrastructure Project, Bundaberg Gas Pipeline project and Great Barrier Reef Ports Reform).
15. The increase is primarily for the recovery of construction costs for the Commonwealth Games venues with funding received from DTESB in accordance with the construction schedules.
16. The decrease is primarily due to the full year impact of the MoG of infrastructure and planning functions to DILGP and the cessation of temporary project positions.
17. The increase relates to the 2015-16 budget outcomes (namely, Townsville Stadium and North Stradbroke Island Economic Transition Strategy); increased Commonwealth Games Venue projects and the deferral of high priority projects (including Mission Beach Safe Boating Infrastructure Project and Great Barrier Reef Ports Reform).

18. The increase is due to the 2015-16 Budget outcome initiative Building Our Regions, higher level of expenditure in Royalties for Regions (fourth and final round) program in 2015-16 and the contribution to the Bundaberg Gas Pipeline.
19. The decrease represents reduced building holdings at Mary Valley and the full year impact of transfer of assets as part of the MoG changes to DILGP.
20. The decrease is due to a reduction in interest rates on the loan facility.

## Balance sheet

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

21. The increase represents increased recoveries for user charge projects
22. The increase represents Mary Valley Properties awaiting settlement; land within the Townsville Eastern Access Corridor awaiting settlement and title transfers between the Coordinator General and the DTMR and SEQ Water Grid Holdings that were anticipated to be sold.
23. The decrease represents: sales of Mary Valley Properties and transfer of Mary Valley Properties to non-financial assets held for sale; comprehensive revaluations resulting in decrements to land and buildings and impairment of land as part of the 2013-14 annual financial statement process occurring post the 2014-15 Adjusted Published Budget.
24. The decrease primarily relates to anticipated lower level of creditors due to improved payments and processing times.
25. The increase relates to recognition of a deposit held from DTMR for land within the Townsville Eastern Access Corridor.
26. The decrease is due to settlement of claims for compulsory land acquisitions across the Coordinator-General's activities.
27. The increase reflects the revenue received for projects in 2014-15 that will not be completed until 2015-16.

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

28. The increase represents Mary Valley Properties awaiting settlement and SEQ Water Grid Holdings awaiting finalisation.
29. The decrease represents: sales of Mary Valley Properties and transfer of Mary Valley Properties to non-financial assets held for sale; the 2013-14 comprehensive revaluations resulting in decrements to land and buildings and impairments of land with the impact of a lower opening balance at 1 July 2014.
30. The decrease primarily relates to anticipated lower level of creditors due to improved payments times.
31. The increase reflects unearned revenue received for projects during 2015-16.
32. The decrease reflects payment of debt in accordance with loan schedule.

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

33. The decrease represents the finalisation of sale of land associated with the Townsville Eastern Port Access Corridor to DTMR.
34. The decrease represents sales of Mary Valley Properties and accumulated depreciation.
35. The decrease relates to the anticipated settlement of land within the Townsville Eastern Access Corridor with DTMR.
36. The increase reflects the movement from non-current to current provisions of compulsory land acquisitions across the Coordinator-General
37. The decrease reflects the utilisation of cash and recognition of revenue for projects within 2015-16.
38. The decrease reflects payment of debt in accordance with loan schedule.
39. The decrease reflects the movement of land acquisition claims from non-current to current provisions in anticipation of settlement.

# Cash flow statement

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

40. The decrease primarily relates to the transfer of the Royalties for Regions program funding to the DTMR and the former DLGCRR and deferrals to outyears of high priority projects (including Mission Beach Safe Boating Infrastructure Project and Great Barrier Reef Ports Reform).
41. The increase relates to unearned revenue for projects received during 2014-15 and development assessment and development scheme fees that transferred from the EDQ until the MoG date.
42. The increase is due the re-alignment of funds from supplies and services as temporary staff were engaged to assist with high priority projects in preference to engaging contractors. Short term staffing increases also occurred due to the transfer of the EDQ development assessment and development scheme user charges function into the Department for the eight month period until the time of the MOG.
43. The decrease primarily relates to end of year deferrals for high priority projects.
44. The decrease relates to the transfer of the Royalties for Regions program funding to DTMR and the former DLGCRR and deferral of funding to 2015-16 for the Bundaberg Gas Pipeline.
45. The increase is due to movements in provisions for land claims.
46. The increase reflects additional Mary Valley Properties sales.
47. The increase is due to the settlement of land acquisition claims associated with the Townsville Eastern Access Corridor and Targinie Precinct ahead of schedule with funds claw backed from 2015-16 to meet these claims.
48. The decrease primarily relates to the deferral of Airport Link funding (held on behalf of DTMR) deferred to the outyears and this is offset by the settlement of land claims ahead of schedule.
49. The decrease relates to anticipated proceeds of sale for a property that was subsequently taken off the market during 2015, offset by increase in Mary Valley property sales.

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

50. The increase primarily relates to the 2015-16 budget outcome initiative Building Our Regions.
51. The increase is primarily for the recovery of construction costs for the Commonwealth Games venues with funding received from DTESB.
52. The decrease is primarily due to the full year impact of the MoG of infrastructure and planning functions to DILGP and the cessation of temporary project positions.
53. The increase relates to: the 2015-16 budget outcomes (namely Townsville Stadium and North Stradbroke Island Economic Transition Strategy); increased Commonwealth Games Venue projects and the deferral of high priority projects (including the Mission Beach Safe Boating Infrastructure Project and Great Barrier Reef Ports Reform).
54. The increase is due to the 2015-16 budget outcome initiative Building Our Regions plus the increase in Royalties for Regions (fourth and final round) program.
55. The decrease is due to reduction in interest rates on loan facility.
56. The increase is due to anticipated one-off land sales in 2015-16.
57. The decrease primarily relates to the MoG of infrastructure functions including the Commonwealth Games Village provided from the department to EDQ that has now transferred to DILGP.
58. The decrease reflects a reduction in loan repayments due to loan rollover.
59. The decrease relates to anticipated proceeds of sale for a property that was subsequently taken off the market during 2015.

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

60. The increase is due to: higher level of expenditure for the Royalties for Regions (fourth and final round) program in 2015-16; the 2015-16 Budget outcome initiatives (namely Building Our Regions, Townsville Stadium and the North Stradbroke Island Economic Transition Strategy) and the deferral of funds from 2014-15 for high priority projects (including Mission Beach Safe Boating and Great Barrier Reef Ports Reform).
61. The increase is primarily for the recovery of construction costs for the Commonwealth Games venues with funding received from DTESB.
62. The decrease is primarily due to the full year impact of the MoG of infrastructure and planning functions to DILGP and the cessation of temporary project positions.

63. The increase relates to: the 2015-16 Budget outcomes (namely Townsville Stadium and North Stradbroke Island Economic Transition Strategy; increased Commonwealth Games Venue projects and the deferral of high priority projects (including the Mission Beach Safe Boating Infrastructure Project and Great Barrier Reef Ports Reform).
64. The increase is due to the 2015-16 budget outcome initiative Building Our Regions, increase in Royalties for Regions (fourth and final round) program and the contribution to the Bundaberg Gas Pipeline.
65. The decrease is due to reduction in interest rates on loan facility.
66. The decrease is due to movements in provisions for land claims.
67. The decrease is due to reduced land acquisitions claims associated with the Townsville Eastern Access Corridor as the project nears completion.
68. The decrease reflects the MoG of infrastructure functions including the Commonwealth Games Village provided from the department to EDQ that has now transferred to DILGP and increased equity injections held on behalf of DTMR for Airport Link.
69. The decrease reflects a reduction in loan repayments due to loan rollover.
70. The decrease reflects reduced sales for Mary Valley Properties.

## Administered income statement

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

71. The decrease relates to funding for the management and operation of Southbank and Roma Street Parklands transferring to DILGP as part of the MoG arrangements.
72. The decrease is due to revenue transferring to DILGP as part of the MoG arrangements.
73. The decrease relates to funding for the management and operation of Southbank and Roma Street Parklands transferring to DILGP as part of the MoG arrangements.
74. The decrease is due to the management and operation of Southbank and Roma Street Parklands transferring to DILGP as part of the MoG arrangements.

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

75. The decrease relates to funding for the management and operation of Southbank and Roma Street Parklands transferring to DILGP as part of the MoG arrangements.
76. The decrease is due to this revenue transferring to DILGP as part of the MoG arrangements.
77. The decrease relates to funding for the management and operation of Southbank and Roma Street Parklands transferring to DILGP as part of the MoG arrangements.
78. The decrease is due to the management and operation of Southbank and Roma Street Parklands function transferring to DILGP as part of the MoG arrangements.

## Administered cash flow statement

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

79. The decrease relates to funding for the management and operation of Southbank and Roma Street Parklands transferring to DILGP as part of the MoG arrangements.
80. The decrease is due to this revenue transferring to DILGP as part of the MoG arrangements.
81. The decrease relates to funding for the management and operation of Southbank and Roma Street Parklands transferring to DILGP as part of the MoG arrangements.
82. The decrease is due to the management and operation of Southbank and Roma Street Parklands transferring to DILGP as part of the MoG arrangements.

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

83. The decrease relates to funding for the management and operation of Southbank and Roma Street Parklands transferring to DILGP as part of the MoG arrangements.
84. The decrease is due to this revenue transferring to DILGP as part of the MoG arrangements.

85. The decrease relates to funding for the management and operation of Southbank and Roma Street Parklands transferring to DILGP as part of the MoG arrangements.
86. The decrease is due to the management and operation of Southbank and Roma Street Parklands transferring to DILGP as part of the MoG arrangements.

# Reporting Entity Financial Statements

Reporting Entity comprises:

- Department of State Development (excluding Administered);
- Economic Development Queensland.

## Reporting entity income statement

Department of State Development	Notes	2014-15 Adjusted Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
<b>INCOME</b>				
Appropriation revenue		331,983	176,780	394,882
Taxes		..	..	..
User charges and fees		159,248	162,525	226,235
Royalties and land rents		..	..	..
Grants and other contributions		361	1,595	150
Interest		4,291	4,291	..
Other revenue		90	90	..
Gains on sale/revaluation of assets		..	..	..
<b>Total income</b>		<b>495,973</b>	<b>345,281</b>	<b>621,267</b>
<b>EXPENSES</b>				
Employee expenses		83,870	95,983	68,438
Supplies and services		224,350	184,620	310,136
Grants and subsidies		132,134	15,807	230,498
Depreciation and amortisation		9,189	9,519	8,298
Finance/borrowing costs		8,948	7,869	2,276
Other expenses		11,414	11,544	492
Losses on sale/revaluation of assets		3,130	3,130	..
<b>Total expenses</b>		<b>473,035</b>	<b>328,472</b>	<b>620,138</b>
Income tax expense/revenue		4,742	4,742	..
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>18,196</b>	<b>12,067</b>	<b>1,129</b>

# Reporting entity balance sheet

Department of State Development	Notes	2014-15 Adjusted Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
<b>CURRENT ASSETS</b>				
Cash assets		8,022	6,879	6,644
Receivables		2,348	4,179	3,490
Other financial assets		..	..	..
Inventories		..	..	..
Other		643	867	690
Non financial assets held for sale		..	40,620	30,390
<b>Total current assets</b>		<b>11,013</b>	<b>52,545</b>	<b>41,214</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		457,239	347,496	291,684
Deferred tax assets		..	..	..
Intangibles		4,691	4,099	4,081
Other		10,830	10,831	10,229
<b>Total non-current assets</b>		<b>472,760</b>	<b>362,426</b>	<b>305,994</b>
<b>TOTAL ASSETS</b>		<b>483,773</b>	<b>414,971</b>	<b>347,208</b>
<b>CURRENT LIABILITIES</b>				
Payables		27,801	18,957	18,527
Current tax liabilities		..	..	..
Accrued employee benefits		738	2,322	2,324
Interest bearing liabilities and derivatives		9,739	19,359	9,343
Provisions		17,362	10,872	14,554
Other		322	4,500	2,551
<b>Total current liabilities</b>		<b>55,962</b>	<b>56,010</b>	<b>47,299</b>
<b>NON-CURRENT LIABILITIES</b>				
Payables		..	..	..
Deferred tax liabilities		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		72,308	73,143	65,724
Provisions		6,332	7,200	5,467
Other		..	298	274
<b>Total non-current liabilities</b>		<b>78,640</b>	<b>80,641</b>	<b>71,465</b>
<b>TOTAL LIABILITIES</b>		<b>134,602</b>	<b>136,651</b>	<b>118,764</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>349,171</b>	<b>278,320</b>	<b>228,444</b>
<b>EQUITY</b>				
<b>TOTAL EQUITY</b>		<b>349,171</b>	<b>278,320</b>	<b>228,444</b>

# Reporting entity cash flow statement

Department of State Development	Notes	2014-15 Adjusted Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
Appropriation receipts		331,983	176,064	394,882
User charges and fees		171,391	189,062	232,762
Royalties and land rent receipts		..	..	..
Grants and other contributions		361	1,595	150
Interest received		4,291	4,406	..
Taxes		..	..	..
Other		23,295	23,256	23,205
<b>Outflows:</b>				
Employee costs		(83,870)	(95,029)	(68,438)
Supplies and services		(235,015)	(193,553)	(331,914)
Grants and subsidies		(130,634)	(12,216)	(230,498)
Borrowing costs		(8,948)	(7,869)	(2,276)
Taxation equivalents paid		(5,172)	(44,128)	..
Other		(15,157)	(24,970)	(7,482)
<b>Net cash provided by or used in operating activities</b>		<b>52,525</b>	<b>16,618</b>	<b>10,391</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Inflows:</b>				
Sales of non financial assets		53,367	84,924	53,040
Investments redeemed		..	..	..
Loans and advances redeemed		..	3,118	..
<b>Outflows:</b>				
Payments for non financial assets		(20,380)	(39,026)	(4,356)
Payments for investments		..	..	..
Loans and advances made		..	..	..
<b>Net cash provided by or used in investing activities</b>		<b>32,987</b>	<b>49,016</b>	<b>48,684</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		..	20,483	..
Equity injections		37,151	31,424	23,505
<b>Outflows:</b>				
Borrowing redemptions		(8,109)	(40,321)	(7,205)
Finance lease payments		..	..	..
Equity withdrawals		(114,521)	(110,436)	(75,610)
Dividends paid		..	..	..
<b>Net cash provided by or used in financing activities</b>		<b>(85,479)</b>	<b>(98,850)</b>	<b>(59,310)</b>
<b>Net increase/(decrease) in cash held</b>		<b>33</b>	<b>(33,216)</b>	<b>(235)</b>
<b>Cash at the beginning of financial year</b>		<b>120,958</b>	<b>203,302</b>	<b>6,879</b>
Cash transfers from restructure		(112,969)	(163,207)	..
<b>Cash at the end of financial year</b>		<b>8,022</b>	<b>6,879</b>	<b>6,644</b>



# Glossary of terms

<b>Accrual accounting</b>	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.
<b>Administered items</b>	Assets, liabilities, revenues and expenses an entity administers, without discretion, on behalf of the Government.
<b>Agency/entity</b>	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.
<b>Appropriation</b>	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.
<b>Balance sheet</b>	A financial statement that reports the assets, liabilities and equity of an entity as at a particular date.
<b>Capital</b>	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.
<b>Cash Flow Statement</b>	A financial statement reporting the cash inflows and outflows for an entity's operating, investing and financing activities in a particular period.
<b>Controlled Items</b>	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.
<b>Depreciation</b>	The periodic allocation of the cost of physical assets, representing the amount of the asset consumed during a specified time.
<b>Equity</b>	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.
<b>Equity injection</b>	An increase in the investment of the Government in a public sector agency.

<b>Financial statements</b>	Collective description of the Income Statement, the Balance Sheet and the Cash Flow Statement for an entity's controlled and administered activities.
<b>Income statement</b>	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.
<b>Machinery-of-government</b>	The redistribution of the public business of one government agency to another government agency. Also referred to as MoG.
<b>Outcomes</b>	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.
<b>Own-source revenue</b>	Revenue that is generated by an agency, generally through the sale of goods and services, but it may also include some Commonwealth funding.
<b>Priorities</b>	Key policy areas that will be the focus of Government activity.
<b>Services</b>	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](http://www.budget.qld.gov.au)



