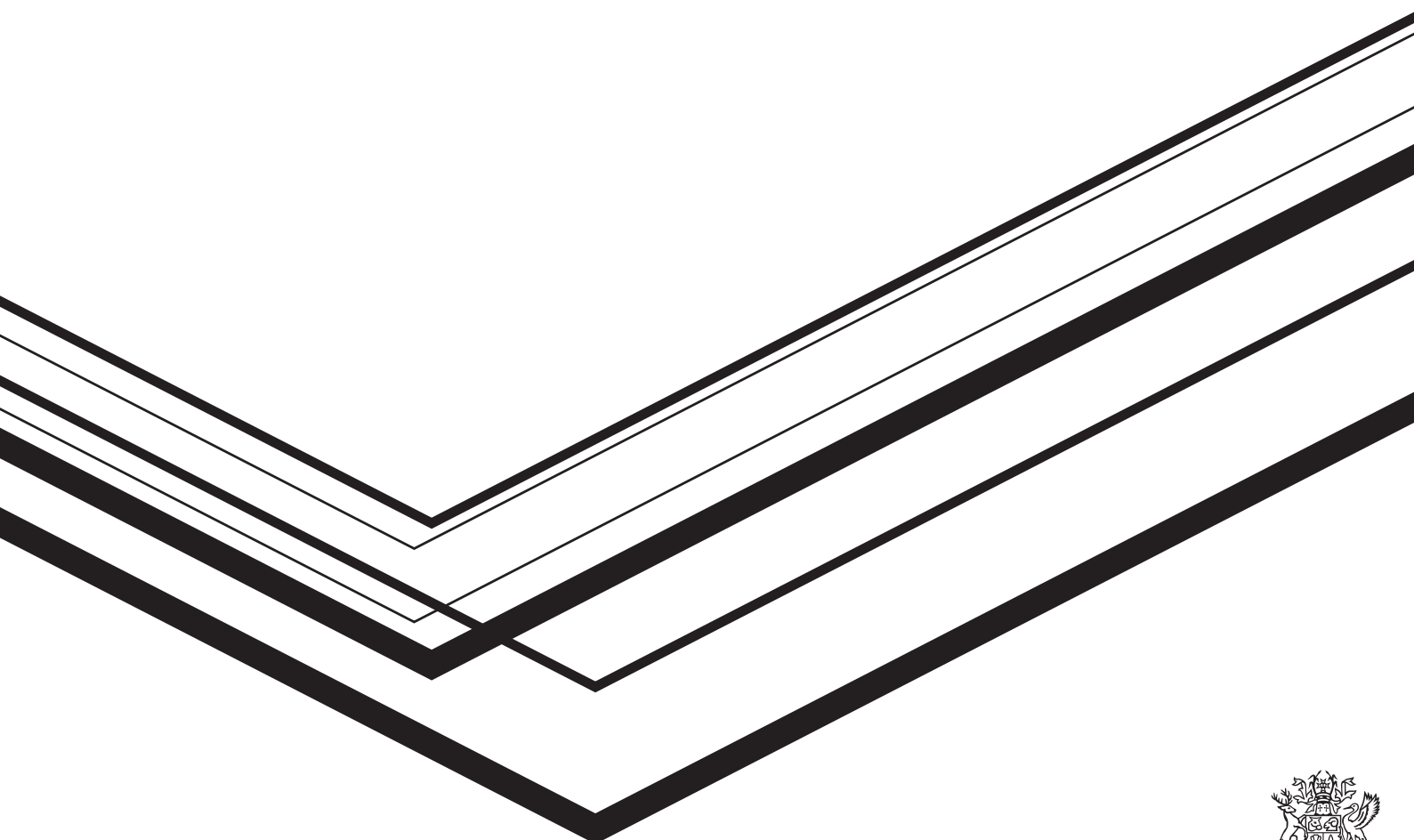


Service Delivery Statements

# **Department of Transport and Main Roads**



# **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)

© Crown copyright  
All rights reserved  
Queensland Government 2015

Excerpts from this publication may be reproduced, with appropriate acknowledgement, as permitted under the Copyright Act.

## **Service Delivery Statements**

ISSN 1445-4890 (Print)  
ISSN 1445-4904 (Online)



# Department of Transport and Main Roads

## Summary of portfolio

Page	Department of Transport and Main Roads
3	Department of Transport and Main Roads - controlled  Department of Transport and Main Roads - administered
40	RoadTek
49	Gold Coast Waterways Authority

# Portfolio overview

## Ministerial and portfolio responsibilities

The table below represents the agencies and services which are the responsibility of the Deputy Premier, Minister for Transport, Minister for Infrastructure, Local Government and Planning and Minister for Trade and the Minister for Main Roads, Road Safety and Ports and Minister for Energy and Water Supply:

<b>Deputy Premier, Minister for Transport, Minister for Infrastructure, Local Government and Planning and Minister for Trade</b>  The Honourable Jackie Trad MP
---

<b>Minister for Main Roads, Road Safety and Ports and Minister for Energy and Water Supply</b>  The Honourable Mark Bailey MP
---

<b>Department of Transport and Main Roads</b>  Director-General: Neil Scales
<b>Service area 1:</b> Transport System Investment Planning and Programming
<b>Service area 2:</b> Transport Infrastructure Management and Delivery
<b>Service area 3:</b> Transport Safety and Regulation
<b>Service area 4:</b> Customer Experience
<b>Service area 5:</b> Passenger Transport Services

The Minister for Main Roads, Road Safety and Ports and Minister for Energy and Water Supply is also responsible for:

<b>RoadTek</b>  General Manager: William Lansbury  <b>Objective:</b> RoadTek provides transport infrastructure solutions, including construction and maintenance services to enable the department to deliver on government priorities and community outcomes.
--

# Gold Coast Waterways Authority

**Chief Executive Officer: Hal Morris**

**Objective:** The Gold Coast Waterways Authority delivers the best possible management of the Gold Coast waterways at reasonable cost to the community and government, while keeping government regulation to a minimum.

Additional information can be sourced from:

[www.tmr.qld.gov.au](http://www.tmr.qld.gov.au)

[www.translink.qld.gov.au](http://www.translink.qld.gov.au)

[www.msq.qld.gov.au](http://www.msq.qld.gov.au)

[www.gcwa.qld.gov.au](http://www.gcwa.qld.gov.au)

# Departmental overview

The Transport and Main Roads vision is 'Connecting Queensland - Delivering transport for prosperity' with the department's overall purpose being 'to provide a safe, integrated, reliable and efficient transport system accessible to everyone'. A well planned and managed transport system plays an essential role in the development of a healthy, robust and growing economy – connecting communities, providing access to services and supporting commerce and industry throughout the State. Rail services are an important component of an integrated transport system. Queensland Rail provides these services on behalf of the State under a transport services contract with the department. By delivering its business objectives in consultation with industry and the community and with a focus on integrity and accountability, the department contributes to all of the Queensland Government's objectives for the community by:

- creating jobs and a diverse economy
- delivering quality frontline services
- protecting the environment
- building safe, caring and connected communities.

The department has a key role in 'building safe, caring and connected communities' and 'creating jobs and a diverse economy' objectives. The Queensland Government's objectives for the community guide the department's strategic direction. To deliver its planned outcomes, Transport and Main Roads focuses on the following business objectives as stated in the Transport and Main Roads Strategic Plan 2015-2019:

- integrated transport system that supports the efficient and reliable movement of people and goods
- sustainable and cost-effective transport network accessible to all
- customer, safety and regulatory services that improve community safety and satisfaction
- an integrated passenger transport system, safe and accessible to all.

While working to achieve its business objectives, Transport and Main Roads applies a robust risk management framework to manage strategic and operational risks relating to the impact of factors affecting the department. The department focuses on a number of key external risk factors including:

- diverse community, industry and government expectations
- pace of technological change
- fiscal constraints and limited resources
- evolving demographics and population growth
- geographical spread and diversity, and urban development
- impact of disruptive events.

Transport and Main Roads is committed to maintaining safe and cost-efficient transport infrastructure that meets the current needs of Queenslanders, and to deliver new infrastructure in the areas of greatest need. The department will manage the delivery of a substantial capital program in the 2015-16 financial year to meet these priorities. Key programs continuing in 2015-16 and beyond include the:

- \$8.5 billion Australian and Queensland Government funded program to fix the Bruce Highway over 10 years (2013-14 to 2022-23)
- \$635 million Australian and Queensland Government funded Warrego Highway Upgrade Program over five years (2014-15 to 2018-19)
- \$260.5 million Australian and Queensland Government funded Cape York Region Package over five years (2014-15 to 2018-19)
- \$104.8 million Australian, Queensland and Local Government funded Bridges Renewal Program over four years (2014-15 to 2017-18).

To ensure the successful delivery of its objectives and the best possible outcomes for Queensland, Transport and Main Roads focuses on four key priorities:

- putting the customer at the centre of all we do
- partnering with the community, research institutions, government and industry
- improving the way we do business
- living *One TMR* - enabling our people to do their best.

# Service performance

## Service approach

The department is organised to effectively and efficiently deliver the four core business objectives outlined in its strategic plan. Transport and Main Roads improves service delivery by closely aligning service areas with business objectives.

Business objective (strategic plan)	Service area (service delivery statements)	Accountable division
Integrated transport system that supports the efficient and reliable movement of people and goods	Transport System Investment Planning and Programming	Policy, Planning and Investment
Sustainable and cost-effective transport network accessible to all	Transport Infrastructure Management and Delivery	Infrastructure Management and Delivery
Customer, safety and regulatory services that improve community safety and satisfaction	Transport Safety and Regulation	Customer Services, Safety and Regulation
	Customer Experience	TransLink
An integrated passenger transport system, safe and accessible to all	Passenger Transport Services	TransLink

Following a recommendation from the Queensland Audit Office and in accordance with the number one priority in its strategic plan 'putting the customer at the centre of all we do', Transport and Main Roads split its former service area 'Transport Safety, Regulation and Customer Service' into two new service areas - 'Transport Safety and Regulation' and 'Customer Experience'.

## Performance statement

### Transport System Investment Planning and Programming

#### Service area objective

To develop long term transport policies and plans for the future development of the integrated transport system and to plan and prioritise strategic investment in effective, efficient and sustainable transport infrastructure, systems and services.

#### Service area description

Responsible transport system planning ensures that Queensland's long-term transport needs are met in the most cost-effective way and that other development impacts are managed effectively. This is achieved through developing and managing:

- Queensland's long-term transport strategy
- Regional Transport Plans
- the Transport System Planning Program to coordinate and prioritise planning across all modes of transport
- the Queensland Transport and Roads Investment Program (QTRIP), a four-year rolling program of priority transport infrastructure works which is published annually
- asset management plans for maintenance, preservation and operation of State-controlled transport infrastructure
- funding submissions to the Australian Government for nationally-significant transport infrastructure and investment strategies for key priority routes that support resource development areas

- major transport infrastructure project evaluation and assurance to ensure projects are delivered on a value-for-money basis.

The activities of the department delivered under this service area support:

- growing communities and the rapidly increasing freight task
- continued economic development opportunities across the State
- appropriate responses to long-term demand drivers relevant to the transport system.

## 2015-16 service area highlights

The department will build on its 2014-15 achievements and continue its focus on delivering the Government's commitments for the people of Queensland, with 2015-16 highlights under this service area to include:

- developing key strategies in order to shape the transport system for Queensland including Queensland's Long-Term Transport Strategy, Regional Transport Plans, Queensland Cycle Strategy and Passenger Transport Strategy
- implementing Moving Freight Actions, including identification of infrastructure upgrades to facilitate high productivity vehicles across the freight network and mapping the flood immunity of the freight network (both road and rail)
- finalising investment strategies for the Peak Downs and Gregory Highways, Capricorn Highway, Flinders and Barkly Highways and the Brisbane to Gold Coast Transport Corridor
- reforming legislation including the *Transport and Other Legislation Amendment Act 2014* to simplify current mode specific provisions to reflect more contemporary transport system practices in TMR.

Department of Transport and Main Roads	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
<b>Service area: Transport System Investment Planning and Programming</b>				
<b>Service standards</b>				
<i>Effectiveness measures</i>				
Percentage of projects in the State Planning Program:	T			
commencing no later than four months after the programmed commencement date		90	94	90
completed no more than four months after the programmed period	1	New measure	New measure	80
costing less than 10% over the programmed estimate		80	95	80
Road system seal age (percentage of the State-controlled road network exceeding the optimal seal age)	M,2	31	28.6	30.4
Road system condition (the percentage of urban and rural State-controlled roads with condition better than the specified benchmark)	M			
Urban		97 - 99	98	97 - 99
Rural		95 - 97	96	95 - 97
<i>Efficiency measures</i>	3			

Notes:

M. Denotes service standards for which accountability rests with the Minister for Main Roads, Road Safety and Ports and Minister for Energy and Water Supply.

T. Denotes service standards for which accountability rests with the Deputy Premier, Minister for Transport, Minister for Infrastructure, Local Government and Planning and Minister for Trade.



1. This is a new service standard replacing the 2014-15 measure 'Percentage of projects in the State Planning Program completed no more than 10% after the programmed period.' Four months has been determined to be an adequate measure of projects that are late. By setting a definitive timeframe for all projects to be deemed late instead of a floating target specific to individual projects, administration workload (red tape) can be reduced.
2. The better than expected 2014-15 Estimated Actual figure is due to the extensive Transport Network Reconstruction Program and the inclusion, in this year's result, of data relating to some projects completed in previous financial years.
3. An efficiency measure is being developed for this service area and will be included in a future Service Delivery Statement.

# Transport Infrastructure Management and Delivery

## Service area objective

To construct, maintain and operate an integrated transport network accessible to all.

## Service area description

Activities undertaken in this service area relate to stewardship of the State road network and include:

- delivering, managing and maintaining transport infrastructure
  - leading innovation in transport infrastructure delivery
  - setting value for money standards for transport infrastructure
- managing road operations, including traffic incidents, heavy vehicle operations and traveller and traffic information
- managing use of the road corridor, including environmental preservation and third party road access
- controlling access to and recovering the road network during and following emergency events.

This work is underpinned with technical expertise to mitigate risk and sustain the transport system's performance.

## Services

- Transport Infrastructure Management
- Transport Infrastructure Delivery

## 2015-16 service area highlights

The department will build on its 2014-15 achievements and continue its focus on delivering the Government's commitments for the people of Queensland, with 2015-16 highlights under this service area to include:

- providing a gateway to the State's resource-rich Surat Basin with site preparation works for Toowoomba Second Range Crossing commencing in late 2015 and major construction works expected to commence early 2016
- continuing works on the \$635 million Warrego Highway Upgrade Program with \$110 million duplication from two to four lanes at Nugent Pinch Road currently in delivery, \$36 million Brigalow – Chinchilla Upgrade commencing in August 2015 and \$35 million Jingi Jingi Creek upgrade expected to commence early 2016
- providing work and training opportunities for Indigenous and local Cape York people through the \$260.5 million Cape York Region Package
- work continuing on the Bruce Highway Upgrade (Cooroy to Curra) Section A (Cooroy southern interchange to Sankeys Road) with 7km of new four-lane highway between Cudgerie Drive and Sankeys Road, a new all-movements interchange north of Cooroy, and new bridges over Skyring Creek and Gardners Road expected to be completed by mid-2016
- the \$170 million project to provide a new elevated Bruce Highway crossing of the Yeppen Floodplain, south of Rockhampton, expected to open to traffic in early 2016.

Department of Transport and Main Roads	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
<b>Service area: Transport Infrastructure Management and Delivery</b>				
<b>Service: Transport Infrastructure Management</b>				
<b>Service standards</b> <i>Effectiveness measures</i>				
Road network efficiency -	M,1			

Department of Transport and Main Roads	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
AM peak		10.9	11.1	11.1
Off peak		9.6	9.9	9.9
PM peak		11.2	11.3	11.3
Road network reliability - Percentage of the road network with reliable travel times	M,1			
AM peak		85	79	79
Off peak		96	91	91
PM peak		82	75	75
Road network productivity - Percentage of the road network with good productivity	M,1,2			
AM peak		74	72	72
Off peak		79	76	76
PM peak		72	71	71
Arterial intersection performance – Percentage of intersections congested less than 20 minutes per hour	M			
AM peak		87	87	87
Off peak		94	94	94
PM peak		83	82	82
Number of fatal crashes on State-controlled roads per 100 million vehicle kilometres travelled where the road condition was likely to be a contributing factor	M	0.05	0.05	0.05
<i>Efficiency measures</i>	3			
<b>Service: Transport Infrastructure Delivery</b>				
<b>Service standards</b>				
<i>Effectiveness measures</i>				
Percentage of QTRIP projects >\$5 million:	M			
commencing no later than four months after the programmed commencement date		90	73	90
completed no more than four months after the programmed construction period	4	New measure	New measure	90
costing less than 10% over the published QTRIP figure		90	95	90
<i>Efficiency measures</i>	5			

Notes:

M. Denotes service standards for which accountability rests with the Minister for Main Roads, Road Safety and Ports and Minister for Energy and Water Supply.

1. The 2014-15 Estimated Actual results show there has been an increase in congestion when compared with the 2014-15 Target Estimate figures. This is consistent with population, traffic and economic growth resulting in a continuation of the steadily increasing congestion trend. TMR is progressing a number of road and motorway initiatives to mitigate this trend.
2. Good road network productivity occurs under two scenarios of performance: (a) speeds are in excess of a benchmark value (for example, 80km/h on motorways) irrespective of traffic flow; or (b) traffic flow is relatively high (for example, 2,000 vehicles/hour/lane for motorways) in combination with moderately degraded speeds.
3. An efficiency measure is being developed for this service and will be included in a future Service Delivery Statement.
4. This is a new service standard replacing the 2014-15 measure 'Percentage of QTRIP projects completed no more than 10% after the programmed construction period'. Four months has been determined to be an adequate measure of projects that are late. By setting a definitive timeframe for all projects to be deemed late instead of a floating target specific to individual projects, administration workload (red tape) can be reduced.
5. An efficiency measure is being developed for this service and will be included in a future Service Delivery Statement.

## Transport Safety and Regulation

### Service area objective

To regulate the transport system safely, economically and sustainably without imposing unnecessary red tape.

### Service area description

Safety of transport networks is critical to supporting Queensland's future growth. A safe, secure and resilient transport system aims to protect the lives and property of everyone who interacts with the network for business, employment and leisure.

Regulatory and safety related activities undertaken in this service area include:

- managing the movement of vessels using Queensland's waterways as well as the Great Barrier Reef and Torres Strait
- maritime safety activities for commercial and recreational vessels, pilotage and hydrographic services, and supporting safe port development
- maintain effective maritime emergency preparedness, response, and recovery capability and capacity
- developing and implementing rail safety initiatives and legislation
- conducting regulatory activities including audits, inspections, accreditation, investigation and education programs
- regulating vehicle safety in accordance with best practice and national vehicle standards
- delivering vehicle and vessel registration, driver and marine licensing and accreditation services.

### Services

- Transport Safety
- Transport Regulation

### 2015-16 service area highlights

The department will build on its 2014-15 achievements and continue its focus on delivering the Government's commitments for the people of Queensland, with 2015-16 highlights under this service area to include:

- commissioning a new vessel traffic decision support tool to assist in tracking, monitoring and managing the safe movement of ships in Queensland's ports as well as the environmentally significant waters of the Great Barrier Reef and Torres Strait
- promoting the use of Smartship Australia's port development simulation capabilities to assist in the planned expansion of coal export facilities and shipping at Abbot Point
- continuing to advance rail safety outcomes by driving rail research activities and leading rail safety projects, including chairing a national working group exploring best practice for existing and emerging level crossing technologies and coordinating a project to reduce road congestion around level crossings
- improving road safety by delivering life-saving initiatives in a new Queensland Road Safety Strategy and Action Plan, including in education, community engagement, enforcement, technology and a protective road environment.

Department of Transport and Main Roads	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
<b>Service area: Transport Safety and Regulation</b>	1			
<b>Service: Transport Safety</b>				
<b>Service standards</b>				
<i>Effectiveness measures</i>				
Marine fatalities per 100,000 registered	M,2	4.80	2.47	4.80

Department of Transport and Main Roads	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
vessels				
Rail fatalities per 100,000 population	T,2	0.10	0.10	0.10
Hospitalised rail casualties per 100,000 population	T,2	0.40	0.38	0.40
Number of level crossing collision occurrences per 1,000,000 train kilometres travelled	T,2	0.45	0.15	0.45
Fatalities per 100,000 population on State-controlled roads	M,2	3.35	2.75	3.24
Road fatalities per 100,000 population	M,2	5.80	4.75	5.40
Hospitalised road casualties per 100,000 population	M,2	135	148	145
Percentage of vessel movements without serious incidents	M,2			
Pilotage areas		100	100	100
ReefVTS area		100	100	100
<i>Efficiency measures</i>	3			
<b>Service: Transport Regulation</b>				
<b>Service standards</b>				
<i>Effectiveness measures</i>	4			
<i>Efficiency measures</i>				
Cost of rail regulation per 100 kilometres of rail infrastructure	T,5	New measure	New measure	\$20,047
Cost of rail regulation per 1,000,000 kilometres of rail operations	T,6	New measure	New measure	\$43,350

Notes:

M. Denotes service standards for which accountability rests with the Minister for Main Roads, Road Safety and Ports and Minister for Energy and Water Supply.

T. Denotes service standards for which accountability rests with the Deputy Premier, Minister for Transport, Minister for Infrastructure, Local Government and Planning and Minister for Trade.

1. This is a new service area for 2015-16 derived from the 2014-15 service area 'Transport Safety, Regulation and Customer Service'.
2. This service standard was reported in the 2014-15 SDS under the service area 'Transport Safety, Regulation and Customer Service'.
3. An efficiency measure is being developed for this service and will be included in a future Service Delivery Statement.
4. An effectiveness measure is being developed for this service and will be included in a future Service Delivery Statement.
5. The calculation for this service standard is based on the total number of kilometres of railway track (rail infrastructure) across Queensland in the financial year. Regulation refers to TMR's accreditation and compliance role in relation to the activities of rail transport operators including the construction of a railway, railway tracks and associated track structures and the management, commissioning, maintenance, repair, modification, installation, operation or decommissioning of rail infrastructure.
6. The calculation for this service standard is based on the total number of kilometres travelled by rolling stock in the transportation of passengers and freight across Queensland in the financial year. Regulation refers to TMR's accreditation and compliance role in relation to the activities of rail transport operators including the commissioning/decommissioning, maintenance, repair, modification and operation of rolling stock or operating a railway service.

## Customer Experience

### Service area objective

To deliver and improve the experience for customers who access TMR products, services and infrastructure including licensing and registration, public transport and roads.

### Service area description

Products and services are delivered to the community via self-service and assisted channels. TMR is delivering services with a 'customers first' approach, engaging with customers to better understand their needs and behaviours with regard to:

- licensing services
- registration services
- passenger transport services
- roads usage
- maritime safety information.

### 2015-16 service area highlights

The department will build on its 2014-15 achievements and continue its focus on delivering the Government's commitments for the people of Queensland, with 2015-16 highlights under this service area to include:

- embedding the customer experience approach within all departmental activities
- introducing additional online customer services such as:
  - a direct debit registration renewal scheme that allows customers to pay their registration renewals by regular direct debit in smaller more manageable amounts
  - eTicketing for a range of infringements and registration transfers online
  - an electronic logbook for learner drivers and electronic notifications to customers.

Department of Transport and Main Roads	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
<b>Service area: Customer Experience</b>	1			
<b>Service standards</b>				
<i>Effectiveness measures</i>				
Average wait time in Customer Service Centres (minutes)	T,2	8	7	8
Percentage of call centre calls answered within three minutes	T,2,3	80	59	80
Overall customer satisfaction with transactional services (on a scale of 1 to 10)	T,2,4	8	8.3	8
Customer satisfaction ratings of public transport by service type (using a 0 - 100 index – 100 being excellent)	T,5,6			
Whole of Queensland				
Taxi	7	≥69	65	≥69
South-east Queensland				
Bus		≥70	70	≥70
Rail		≥70	70	≥70

Department of Transport and Main Roads	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Ferry		≥70	75	≥70
Rest of Queensland Regional urban bus		≥70	73	≥70
Customer service complaints in SEQ per 10,000 trips	T,5	<4	2.65	<4
<i>Efficiency measures</i>				
Average unit cost per transaction in a Customer Service Centre	T,8,9,10	New measure	New measure	\$19.30

Notes:

T. Denotes service standards for which accountability rests with the Deputy Premier, Minister for Transport, Minister for Infrastructure, Local Government and Planning and Minister for Trade.

1. This is a new service area for 2015-16 derived from the 2014-15 service area 'Transport Safety, Regulation and Customer Service'.
2. This service standard was reported in the 2014-15 SDS under the service area 'Transport Safety, Regulation and Customer Service'.
3. The variation to the target is due to the continued increase in call volumes, and the impact of system performance issues on call handling times. Actions taken to improve performance include promotion of self-service, migration of customers to online services, additional call centre resources, increased focus on part time agents to meet peak demand and ongoing training.
4. Transactional services include any licensing and registration transactions and enquiries which are handled/processed using the following channels: TMR Customer Service Centres, service agents (Australia Post/Bpay), TMR website, TMR call centre/Smart Service Queensland call centre, mail/fax/email, Queensland Government Agency Program offices, Queensland Police Service stations, and Clerk of the Court locations.
5. This service standard was reported in the 2014-15 SDS under the Passenger Transport Services area.
6. The Customer Satisfaction Survey (for all modes) investigates how customers rate a range of experiences when travelling on public transport services in Queensland. The survey assists the department in identifying and prioritising areas for improvement and enables the department to monitor the impact of service changes and the introduction of new products and services on customer perceptions. The survey results identify:
  - satisfaction drivers between different modes of transport
  - movements in attitudes and perceptions over time
  - existing levels of customer satisfaction and features likely to have greater influence on customer satisfaction.
7. Customer satisfaction ratings for taxis remain stable. Satisfaction with affordability and information continue to remain comparatively low and impact on overall satisfaction.
8. Reporting cycle is every two years in alignment with Corporate Finance ABC Costing Schedule. The next fully calculated average unit cost will not be available until early 2015-16.
9. Costs include training, travel, administration expenses and nominal cost for information technology, accommodation, Shared Services Provider and labour (salaries and wages).
10. The 2015-16 Target/Estimate figure represents the estimated average unit cost for 2015-16 based on the 2013-14 result of \$18.04 and assumes an annual growth of approximately 3.5% over the next two financial years.



## Passenger Transport Services

### Service area objective

To lead and shape Queensland's passenger transport system, by providing an integrated transport network, safe and accessible to all.

### Service area description

This service area facilitates passenger transport systems across the State and aims to provide a single integrated transport system allowing fair access to everyone. Key passenger transport activities managed by this service area include:

- providing funding for fair access to public transport to deliver economic, social and community benefits for Queenslanders
- effectively managing and regulating the passenger transport industry
- enhancing customer experience by improving service integration, passenger information and ticketing products
- driving efficiencies through network optimisation and next generation service contracts
- supporting public transport patronage increases by maximising our service offering, extending the network and delivering innovative ticketing products
- overseeing and funding the School Transport Assistance Scheme.

### 2015-16 service area highlights

The department will build on its 2014-15 achievements and continue its focus on delivering the Government's commitments for the people of Queensland, with 2015-16 highlights under this service area to include:

- undertaking a fare review of passenger transport services on the TransLink network in south-east Queensland
- providing accessible passenger transport to local residents by implementing the Cape York and Gulf fare scheme
- commencing rail passenger services between Petrie and Kippa-Ring station on the Moreton Bay Rail Link
- continuing the New Generation Rolling Stock project to deliver 75 new six car train sets for south-east Queensland
- delivering additional public transport infrastructure including Deception Bay – Bay Avenue Bus Station, Warrigal Road Green Link, Kawana Bus Station (stage 2) and Mains Road transit way stops.

Department of Transport and Main Roads	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
<b>Service area: Passenger Transport Services</b>				
<b>Service standards</b>				
<i>Effectiveness measures</i>				
Wheelchair accessible taxi response times compared to conventional taxi fleet response times	T			
Peak				
Percentage within 18 minutes				
- Conventional		85	95	85
- Wheelchair		85	85	85
Percentage within 30 minutes				
- Conventional		95	97	95
- Wheelchair		95	94	95
Off peak				
Percentage within 10 minutes		85	88	85

Department of Transport and Main Roads	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
- Conventional				
- Wheelchair	1	85	75	85
Percentage within 20 minutes				
- Conventional		95	97	95
- Wheelchair		95	90	95
Patronage on Government contracted services (millions)	T			
South-east Queensland		180.48	176.27	179.74
Bus	2	117.69	113.62	115.81
Rail		49.52	50.19	51.10
Light rail		5.70	6.18	6.81
Ferry	3	7.57	6.28	6.02
Rest of Queensland		12.35	12.29	12.09
Regional air	4	0.40	0.42	0.27
Long distance bus	5	0.12	0.08	0.06
Regional urban bus		11.45	11.45	11.45
TravelTrain	6,7	0.37	0.34	0.31
Average on-time running performance in peak times – CityTrain	T	95%	98%	95%
Percentage of scheduled services delivered – CityTrain	T	99.87	99.80	99.50
<i>Efficiency measures</i>				
Average subsidy per trip provided through the Taxi Subsidy Scheme	T	\$7.88	\$7.88	\$8.05
Average subsidy per passenger on Government contracted services	T			
Regional air	8	\$22.74	\$21.85	\$18.30
Long distance bus	9	\$38.38	\$51.28	\$78.77
Regional urban bus		\$3.36	\$3.23	\$3.22
TravelTrain	10	\$462.77	\$505.27	\$ 541.28
Average cost of subsidy per passenger trip in SEQ – bus, rail, light rail and ferry	T	\$7.10	\$6.78	\$6.82

Notes:

T. Denotes service standards for which accountability rests with the Deputy Premier, Minister for Transport, Minister for Infrastructure, Local Government and Planning and Minister for Trade.

- Response times for wheelchair accessible jobs are longer than response times for conventional taxis. This may be due to drivers not prioritising wheelchair work or because they are engaged in providing other services under a contract with other entities such as Department of Veterans' Affairs.
- The decrease in bus patronage is due to the mode shift from bus services to G:Link light rail services which commenced in July 2014.
- The decrease in ferry patronage is due to timetable changes and ferry terminal closures/works.
- The 2015-16 regional air patronage target/estimate has decreased due to a reduction in government contracted routes. New regional air contracts commenced on 1 January 2015 for seven contracted routes. Three routes were deregulated.
- The decrease in long distance bus patronage is due to increased competition from other long distance bus and air operators, and a drop off in resource sector activity in some parts of regional Queensland.
- The decrease in TravelTrain patronage is due to changes to the Westlander and Inlander service offering. Competition with other transport modes is maintaining downward pressure for TravelTrain services and reflects a continuation of historical trends of decreasing patronage.

7. The 2015-16 patronage Target/Estimate has decreased as electric tilt trains will be out-of-service for scheduled maintenance. The replacement diesel trains have lower seating capacity and will add additional time to the customer's journey.
8. New regional air contracts commenced on 1 January 2015. The new contracts operate under a risk/revenue-sharing funding model which has resulted in a change to the calculation methodology to include operator revenue in this service standard. The 2015-16 Target/Estimate has been adjusted accordingly.
9. New long distance bus contracts commenced on 1 January 2015. The new contracts operate under a risk/revenue-sharing funding model which has resulted in a change to the calculation methodology to include operator revenue in this service standard. Increasing average subsidy on long distance bus services can be attributed to an additional four contracted routes and declining patronage.
10. Increasing average subsidy on TravelTrain services is due to declining patronage and indexation on cost of service.

## Administered items

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

The Department of Transport and Main Roads administers funds on behalf of the State which include the State-wide driver licensing system, marine licensing system and vehicle and vessel registration systems. The aim of these activities is to manage access to, and use of, the transport network including protection of the network from misuse.

### Recent achievements

Major administered revenue items for 2014-15 were:

- |                              |                 |
|------------------------------|-----------------|
| • Vehicle Registration       | \$1.589 billion |
| • Transport and Traffic Fees | \$375.3 million |

### Future developments

Major administered revenue items for 2015-16 are:

- |                              |                 |
|------------------------------|-----------------|
| • Vehicle Registration       | \$1.660 billion |
| • Transport and Traffic Fees | \$377.3 million |

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.

Department of Transport and Main Roads	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
<b>Service area: Transport System Investment Planning and Programming</b>				
Percentage of projects in the State Planning Program: completed no more than 10% after the programmed period	T,1,2	80	64	Discontinued measure
<b>Service area: Transport Infrastructure Management and Delivery</b>				
Percentage of QTRIP projects > \$5 million: completed no more than 10% after the programmed construction period	M,1,3	90	85	Discontinued measure

Notes:

T. Denotes service standards for which accountability rests with the Deputy Premier, Minister for Transport, Minister for Infrastructure, Local Government and Planning and Minister for Trade.

M. Denotes service standards for which accountability rests with the Minister for Main Roads, Road Safety and Ports and Minister for Energy and Water Supply.

1. This service standard has been replaced with a more appropriate service standard. The measure parameter 'completed no more than 10% after the programmed period' has been replaced with 'completed no more than four months after the programmed period.' Four months has been determined to be an adequate measure of projects that are late. By setting a definitive timeframe for all projects to be deemed late instead of a floating target specific to individual projects, administration workload (red tape) can be reduced.
2. The implementation schedule for the 2014-15 financial year was revised, consistent with the priorities of the Government. This occurred due to the Government's decision not to proceed with the Strong Choices Investment Fund (which would have funded transport projects from asset leasing), and the decision to identify alternatives for some infrastructure projects. This impacted the ability to deliver the published program within the original timeframes.
3. QTRIP stands for Queensland Transport and Roads Investment Program.

# 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 Transport and Main Roads	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	58,561	(18,461)	(32,587)
Balance of service appropriation	4,560,482	4,516,543	4,634,089
Other revenue	1,700,069	1,414,003	1,088,468
<b>Total income</b>	<b>6,319,112</b>	<b>5,912,085</b>	<b>5,689,970</b>
<b>Expenses</b>			
Transport system investment planning and programming	242,334	215,588	146,639
Transport infrastructure management and delivery	2,037,105	2,011,709	2,053,634
Transport safety and regulation	197,355	255,381	252,099
Customer experience	349,116	355,329	365,366
Passenger transport services	2,564,423	2,550,412	2,664,523
<b>Total expenses</b>	<b>5,390,333</b>	<b>5,388,419</b>	<b>5,482,261</b>
<b>Operating surplus/deficit</b>	<b>928,779</b>	<b>523,666</b>	<b>207,709</b>
<b>Net assets</b>	<b>62,765,923</b>	<b>60,032,125</b>	<b>61,436,210</b>
<b>ADMINISTERED</b>			
<b>Revenue</b>			
Commonwealth revenue	..	..	..
Appropriation revenue	..	..	..
Other administered revenue	2,232,617	2,251,564	2,366,205
<b>Total revenue</b>	<b>2,232,617</b>	<b>2,251,564</b>	<b>2,366,205</b>
<b>Expenses</b>			
Transfers to government	2,232,617	2,251,564	2,366,205
Administered expenses	..	..	..
<b>Total expenses</b>	<b>2,232,617</b>	<b>2,251,564</b>	<b>2,366,205</b>
<b>Net assets</b>	<b>81,508</b>	<b>81,368</b>	<b>81,368</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
Transport system investment planning and programming	146,639	90,433	38,559	..	17,647
Transport infrastructure management and delivery	2,053,634	1,819,647	149,305	96,973	195,418
Transport safety and regulation	252,099	47,906	151,385	..	52,808
Customer experience	365,366	357,626	4,084	..	3,656
Passenger transport services	2,664,523	2,188,917	456,878	491	18,237
<b>Total</b>	<b>5,482,261</b>	<b>4,504,529</b>	<b>800,211</b>	<b>97,464</b>	<b>287,766</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 Transport and Main Roads	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	1,936	2,775	612	784	1,331
2015-16 Budget					
Administered	..	..	..	..	..
Departmental	..	24,474	11,608	(17,874)	(19,396)
<b>Total expense measures</b>					
<b>Administered</b>	..	..	..	..	..
<b>Departmental</b>	1,936	27,249	12,220	(17,090)	(18,065)
<b>Capital measures</b>					
Up to and including 2014-15 MYR					
Administered	..	..	..	..	..
Departmental	664	2,850	..	..	..
2015-16 Budget					
Administered	..	..	..	..	..
Departmental	..	60,708	101,596	68,088	51,500
<b>Total capital measures</b>					
<b>Administered</b>	..	..	..	..	..
<b>Departmental</b>	664	63,558	101,596	68,088	51,500



## Departmental capital program

The Department of Transport and Main Roads is committed to delivering an integrated, safe and efficient transport system that keeps all Queenslanders connected across the State regardless of where they live.

An additional \$30 million is provided in 2015-16 for the Transport Infrastructure Development Scheme (TIDS), as part of the Building Our Regions election commitment. The total increase of \$60 million for TIDS, in 2015-16 and 2016-17 will provide rapid and sustained benefits across local government areas. TIDS provides funding to local governments for the development of transport related infrastructure.

Providing employment opportunities and investing in transport infrastructure is a priority for the Queensland Government. The Western Roads Upgrade Program will fund regional investment of \$40 million over 2015-16 and 2016-17 to deliver works on the state-controlled road network in western Queensland. The program will provide targeted road network upgrades focusing on road widening and sealing, within western Queensland local government areas.

In 2015-16, \$78.1 million is provided for the \$4.156 billion New Generation Rollingstock project which will see a significant increase to the train fleet to meet the growing demand for passenger rail services in south-east Queensland. The project will deliver 75 new six car sets over the next five years and includes maintenance facilities and services over a 32 year period.

In 2015-16, \$136.8 million is provided for the completion of the \$988 million Moreton Bay Rail Link project to provide a dual track passenger rail line from Petrie Station to Kippa-Ring Station. The new line will include stations at Kallangur, Murrumba Downs, Mango Hill, Mango Hill East, Rothwell and Kippa-Ring.

In 2015-16, \$172 million is provided for the commencement of the \$1.606 billion Toowoomba Second Range Crossing. This project will deliver a road bypass to the north of Toowoomba, approximately 41 kilometres in length running from the Warrego Highway at Helidon to the Gore Highway at Athol, via Charlton.

Both the Australian and Queensland Governments remain committed to fixing the Bruce Highway, continuing delivery of an \$8.5 billion program over 10 years. Projects in delivery in 2015-16 include:

- the \$490 million construction of the Cooroy to Curra section A, delivering a new four-lane divided highway between the existing interchange south of Cooroy and the new section of highway in Federal near Sankeys Road
- the \$200 million construction of the Townsville Ring Road Stage 4, which will provide a high-speed bypass of Townsville for heavy and commercial vehicles
- the \$45 million construction of a new bridge and upgrading approaches across the Yellow Gin Creek, south of Ayr
- the \$57.5 million upgrade of the existing Sandy Gully Bridge and approaches, near Bowen.

Delivery of the \$635 million Australian and Queensland Government program to upgrade the Warrego Highway between Toowoomba and Miles will continue, increasing efficiency, safety and reliability of Queensland's principal east-west route. Projects in delivery in 2015-16 include:

- the \$110 million duplication from two to four lanes from Nugent Pinch Road to west of Charlton
- the \$36 million upgrade of the Warrego Highway, north west of Brigalow.

Preparations for the Commonwealth Games transport infrastructure is progressing with a \$160.7 million program of works to upgrade roads on the Gold Coast, commencing in 2015-16. Projects include:

- the \$38 million widening, from four to six lanes, between North Street and Vespa Crescent on Southport-Burleigh Road
- the \$30 million upgrading of the interchange at Smith Street and Olsen Street and improvements on Smith Street east of the Pacific Motorway
- the \$21 million widening, from four to six lanes, between Fremar Street and Rudd Street on Southport-Burleigh Road.

## Capital budget

Department of Transport and Main Roads	Notes	2014-15 Budget \$'000	2014-15 Est. Actual \$'000	2015-16 Budget \$'000
<b>Capital purchases<sup>1</sup></b>				
Total land, buildings and infrastructure		3,874,183	2,464,917	2,654,884
Total plant and equipment		27,439	27,439	29,486
Total other capital		11,402	11,402	11,402
<b>Total capital purchases</b>		<b>3,913,024</b>	<b>2,503,758</b>	<b>2,695,772</b>

Note:

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

## Staffing<sup>1</sup>

Service areas	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
Transport system investment planning and programming		712	628	624
Transport infrastructure management and delivery		2,441	2,414	2,414
Transport safety and regulation		637	639	639
Customer experience		2,106	2,158	2,158
Passenger transport services		244	279	279
<b>TOTAL</b>	2	6,140	6,118	6,114

Notes:

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

# Budgeted financial statements

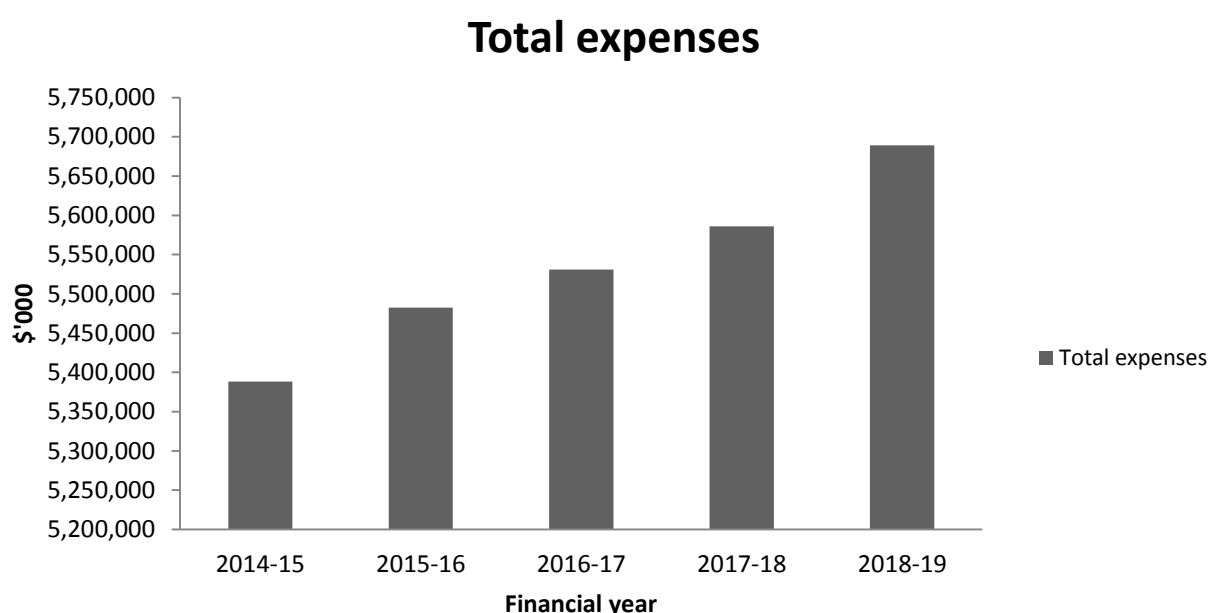
## Analysis of budgeted financial statements

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

### Departmental income statement

Total expenses are estimated to be \$5.482 billion in 2015-16, an increase of \$93.8 million from the 2014-15 financial year. The increase is mainly due to increased payments under transport service contracts, additional expenditure for blackspots projects and Transport Infrastructure Development Scheme (TIDS) grants, additional depreciation expense and construction of the Lawnton to Petrie rail line (cost recovered from Queensland Rail) which is offset by reduced grant payments under the Roads to Resources program.

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



- in 2017-18 and 2018-19, this increase is primarily due to forecast additional expenses for road maintenance, corridor and structures management and traffic operations funded from registration revenue and depreciation expense.
- in 2016-17, this increase is primarily due to increased payments under transport service contracts, initial availability payments for new generation rolling stock and additional depreciation expense offset by reduced grant payments under the Roads to Resources program, and payments to the Brisbane City Council for upgrading key rail crossings which were completed in 2015-16.

### Departmental balance sheet

The department's major assets are in infrastructure (which includes roads, bridges and busways - \$59.026 billion in 2015-16) and land (\$2.604 billion value in 2015-16) and are expected to increase by 8.0% and 12.8% respectively over the next three years.

Payables are expected to remain at about the same level over the next three years while debt is expected to reduce to \$904 million by 2018-19.

The department's main liabilities relate to payables (\$865 million) and debt (\$1.136 billion).

# Controlled income statement

Department of Transport and Main Roads	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
<b>INCOME</b>				
Appropriation revenue	1,9,17	4,619,043	4,498,082	4,601,502
Taxes		..	..	..
User charges and fees	2,10,18	723,970	778,454	800,211
Royalties and land rents		..	..	..
Grants and other contributions	3,11,19	859,552	498,028	183,688
Interest		1,648	1,601	1,612
Other revenue	4,12,20	112,399	133,420	100,457
Gains on sale/revaluation of assets		2,500	2,500	2,500
<b>Total income</b>		<b>6,319,112</b>	<b>5,912,085</b>	<b>5,689,970</b>
<b>EXPENSES</b>				
Employee expenses	5,13,21	438,960	453,601	465,921
Supplies and services	6,14,22	3,095,407	3,107,065	3,172,235
Grants and subsidies	7,15,23	430,049	474,495	470,843
Depreciation and amortisation	8,16,24	1,169,278	1,099,200	1,120,088
Finance/borrowing costs		92,443	92,232	87,401
Other expenses		18,649	16,279	20,226
Losses on sale/revaluation of assets		145,547	145,547	145,547
<b>Total expenses</b>		<b>5,390,333</b>	<b>5,388,419</b>	<b>5,482,261</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>928,779</b>	<b>523,666</b>	<b>207,709</b>

# Controlled balance sheet

Department of Transport and Main Roads	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
<b>CURRENT ASSETS</b>				
Cash assets	25,31,38	376,295	687,700	638,971
Receivables	26,32	198,255	187,225	188,153
Other financial assets		..	..	..
Inventories		9,696	8,165	8,298
Other		16,157	11,818	11,845
Non financial assets held for sale	27,33	10,114	34,523	34,523
<b>Total current assets</b>		<b>610,517</b>	<b>929,431</b>	<b>881,790</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		..	..	..
Other financial assets		601	601	601
Property, plant and equipment	28,34,39	64,733,961	61,467,884	62,849,202
Intangibles	40	94,440	99,113	84,931
Other		1,080	1,407	1,407
<b>Total non-current assets</b>		<b>64,830,082</b>	<b>61,569,005</b>	<b>62,936,141</b>
<b>TOTAL ASSETS</b>		<b>65,440,599</b>	<b>62,498,436</b>	<b>63,817,931</b>
<b>CURRENT LIABILITIES</b>				
Payables	29,35	1,371,360	861,400	865,422
Accrued employee benefits		20,684	21,360	21,463
Interest bearing liabilities and derivatives		82,379	79,995	80,001
Provisions	30,36	..	105,374	105,374
Other		51,989	59,698	60,844
<b>Total current liabilities</b>		<b>1,526,412</b>	<b>1,127,827</b>	<b>1,133,104</b>
<b>NON-CURRENT LIABILITIES</b>				
Payables		..	..	..
Accrued employee benefits		5,931	4,781	4,781
Interest bearing liabilities and derivatives	37,41	1,142,689	1,146,136	1,056,269
Provisions	30,36	..	187,567	187,567
Other		(356)	..	..
<b>Total non-current liabilities</b>		<b>1,148,264</b>	<b>1,338,484</b>	<b>1,248,617</b>
<b>TOTAL LIABILITIES</b>		<b>2,674,676</b>	<b>2,466,311</b>	<b>2,381,721</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>62,765,923</b>	<b>60,032,125</b>	<b>61,436,210</b>
<b>EQUITY</b>				
<b>TOTAL EQUITY</b>	28,34,39	<b>62,765,923</b>	<b>60,032,125</b>	<b>61,436,210</b>

# Controlled cash flow statement

Department of Transport and Main Roads	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	42,52,61	4,619,043	4,527,872	4,601,502
User charges and fees	43,53,62	863,777	918,261	941,005
Royalties and land rent receipts		..	..	..
Grants and other contributions	44,54,63	859,552	495,808	183,688
Interest received		1,648	1,601	1,612
Taxes		..	..	..
Other	45,55,64	608,198	823,012	790,113
<b>Outflows:</b>				
Employee costs	46,56,65	(438,859)	(453,500)	(465,818)
Supplies and services	47,57,66	(3,586,423)	(3,791,874)	(3,857,129)
Grants and subsidies	48,58,67	(430,049)	(474,495)	(470,843)
Borrowing costs		(92,564)	(92,353)	(87,522)
Other		(160,924)	(158,376)	(162,345)
<b>Net cash provided by or used in operating activities</b>		<b>2,243,399</b>	<b>1,795,956</b>	<b>1,474,263</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Inflows:</b>				
Sales of non financial assets	49,68	57,500	75,000	64,735
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
<b>Outflows:</b>				
Payments for non financial assets	50,59,69	(3,912,433)	(2,503,167)	(2,694,242)
Payments for investments		..	..	..
Loans and advances made		..	..	..
<b>Net cash provided by or used in investing activities</b>		<b>(3,854,933)</b>	<b>(2,428,167)</b>	<b>(2,629,507)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		..	..	2,000
Equity injections	51,60,69	2,501,604	1,879,329	2,021,143
<b>Outflows:</b>				
Borrowing redemptions		(74,422)	(74,345)	(81,636)
Finance lease payments		(8,934)	(7,866)	(10,225)
Equity withdrawals		(822,582)	(823,377)	(824,767)
<b>Net cash provided by or used in financing activities</b>		<b>1,595,666</b>	<b>973,741</b>	<b>1,106,515</b>
<b>Net increase/(decrease) in cash held</b>		<b>(15,868)</b>	<b>341,530</b>	<b>(48,729)</b>
<b>Cash at the beginning of financial year</b>		<b>392,163</b>	<b>346,170</b>	<b>687,700</b>
Cash transfers from restructure		..	..	..
<b>Cash at the end of financial year</b>		<b>376,295</b>	<b>687,700</b>	<b>638,971</b>

# Administered income statement

Department of Transport and Main Roads	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
<b>INCOME</b>				
Appropriation revenue		..	..	..
Taxes		..	..	..
User charges and fees	70,71,73	2,076,486	2,091,733	2,172,225
Royalties and land rents		..	..	..
Grants and other contributions		..	..	..
Interest		49	49	50
Other revenue	72,74	156,082	159,782	193,930
Gains on sale/revaluation of assets		..	..	..
<b>Total income</b>		<b>2,232,617</b>	<b>2,251,564</b>	<b>2,366,205</b>
<b>EXPENSES</b>				
Employee expenses		..	..	..
Supplies and services		..	..	..
Grants and subsidies		..	..	..
Depreciation and amortisation		..	..	..
Finance/borrowing costs		..	..	..
Other expenses		..	..	..
Losses on sale/revaluation of assets		..	..	..
Transfers of Administered Revenue to Government		2,232,617	2,251,564	2,366,205
<b>Total expenses</b>		<b>2,232,617</b>	<b>2,251,564</b>	<b>2,366,205</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>..</b>	<b>..</b>	<b>..</b>



# Administered balance sheet

Department of Transport and Main Roads	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
<b>CURRENT ASSETS</b>				
Cash assets	75,76	61,188	13,983	14,074
Receivables		50,342	53,742	53,843
Other financial assets		..	..	..
Inventories		..	..	..
Other		..	..	..
Non financial assets held for sale		..	..	..
<b>Total current assets</b>		<b>111,530</b>	<b>67,725</b>	<b>67,917</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		81,274	81,135	81,135
Intangibles		..	..	..
Other		..	..	..
<b>Total non-current assets</b>		<b>81,274</b>	<b>81,135</b>	<b>81,135</b>
<b>TOTAL ASSETS</b>		<b>192,804</b>	<b>148,860</b>	<b>149,052</b>
<b>CURRENT LIABILITIES</b>				
Payables	75,76	50,850	5,537	5,545
Transfers to Government payable		55,010	56,521	56,641
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		5,436	5,434	5,498
<b>Total current liabilities</b>		<b>111,296</b>	<b>67,492</b>	<b>67,684</b>
<b>NON-CURRENT LIABILITIES</b>				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
<b>Total non-current liabilities</b>		<b>..</b>	<b>..</b>	<b>..</b>
<b>TOTAL LIABILITIES</b>		<b>111,296</b>	<b>67,492</b>	<b>67,684</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>81,508</b>	<b>81,368</b>	<b>81,368</b>
<b>EQUITY</b>				
<b>TOTAL EQUITY</b>		<b>81,508</b>	<b>81,368</b>	<b>81,368</b>

# Administered cash flow statement

Department of Transport and Main Roads	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		..	..	..
User charges and fees	77,78,82	2,078,949	2,094,196	2,174,688
Royalties and land rent receipts		..	..	..
Grants and other contributions		..	..	..
Interest received		49	49	50
Taxes		..	..	..
Other	79,83	156,062	159,762	193,910
<b>Outflows:</b>				
Employee costs		..	..	..
Supplies and services		20	20	20
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(2,492)	(2,492)	(2,492)
Transfers to Government	77,80,84	(2,232,497)	(2,251,444)	(2,366,085)
<b>Net cash provided by or used in operating activities</b>		<b>91</b>	<b>91</b>	<b>91</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>..</b>	<b>..</b>	<b>..</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		..	..	..
Equity injections	81,85	..	..	58,750
<b>Outflows:</b>				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	81,85	..	..	(58,750)
<b>Net cash provided by or used in financing activities</b>		<b>..</b>	<b>..</b>	<b>..</b>
<b>Net increase/(decrease) in cash held</b>		<b>91</b>	<b>91</b>	<b>91</b>
<b>Cash at the beginning of financial year</b>		<b>61,097</b>	<b>13,892</b>	<b>13,983</b>
Cash transfers from restructure		..	..	..
<b>Cash at the end of financial year</b>		<b>61,188</b>	<b>13,983</b>	<b>14,074</b>

# Explanation of variances in the financial statements

## Income statement

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

1. The conditions outlined in the notes below have impacted on the amount of service revenue received by the department.
2. Variance is mainly due to higher than anticipated revenue from recoverable works including reimbursement from Queensland Rail for construction of the Lawnton to Petrie rail line project and unbudgeted revenue from the National Heavy Vehicle Regulator for activities performed on its behalf partially offset by reduced public transport fare revenue.
3. Variance reflects decreased funding from Queensland Reconstruction Authority (QRA) for expenditure on NDRRA works as a result of savings achieved in the delivery of the program.
4. Increase is mainly due to higher than anticipated revenue received from developers' contributions and an increased dividend from RoadTek.
5. Increase is due to expenditure that was previously capitalised being expensed.
6. Variance primarily reflects increased expenditure for the Lawnton to Petrie rail line project (cost recovered from Queensland Rail) offset by decreased expenditure under transport service contracts with Queensland Rail, regional freight and livestock and a reclassification of payments made to the National Heavy Vehicle Regulator for activities performed on its behalf to "Grants and Subsidies".
7. Variance is mainly due to the reclassification of payments made to the National Heavy Vehicle Regulator from "Supplies and Services" and a higher than anticipated volume of work undertaken on local government roads.
8. Variance reflects the decreased value of the road infrastructure as a result of revaluation of the asset.

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

9. The conditions outlined in the notes below have impacted on the amount of service revenue received by the department.
10. Variance is mainly due to higher than anticipated revenue from recoverable works including reimbursement from Queensland Rail for construction of the Lawnton to Petrie rail line project and unbudgeted revenue from the National Heavy Vehicle Regulator for activities performed on its behalf partially offset by reduced public transport fare revenue.
11. Variance reflects decreased funding from QRA for expenditure on NDRRA works as a result of completion of works relating to the natural disasters from 2011 to 2013.
12. Decrease primarily reflects an estimated reduction in RoadTek dividend in 2015-16 due to a lower volume of work undertaken.
13. Increase is due to expenditure that was previously capitalised being expensed and a budgeted enterprise bargaining increase.
14. Variance primarily reflects increased expenditure under transport service contracts with Queensland Rail and the Lawnton to Petrie rail line project (cost recovered from Queensland Rail) offset by decreased expenditure for regional freight and livestock contracts and a reclassification of payments made to the National Heavy Vehicle Regulator for activities performed on its behalf to "Grants and Subsidies".
15. Variance is mainly due to decreased expenditure for Royalties for the Regions and upgrading key rail crossings (contributions to Brisbane City Council) which will not recur in 2015-16 partially offset by increased expenditure for blackspot projects, Transport Infrastructure Development Scheme (TIDS) and National Heavy Vehicle Regulator for activities performed on its behalf.
16. Variance reflects the decreased value of the road infrastructure as a result of revaluation of the asset.

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

17. The conditions outlined in the notes below have impacted on the amount of service revenue received by the department.
18. Variance is mainly due to an increase in revenue for reimbursement from Queensland Rail for construction of the Lawnton to Petrie rail line project.

19. Variance reflects decreased funding from QRA for expenditure on NDRRA works as a result of completion of works relating to the natural disasters from 2011 to 2013.
20. Decrease primarily reflects an estimated reduction in RoadTek dividend in 2015-16 due to a lower volume of work undertaken.
21. Increase is primarily due to a budgeted enterprise bargaining increase.
22. Variance primarily reflects increased expenditure under transport service contracts with Queensland Rail and the Lawnton to Petrie rail line project (cost recovered from Queensland Rail) and road operations and maintenance offset by decreased expenditure for regional freight and livestock contracts.
23. Variance is mainly due to decreased expenditure for Royalties for the Regions and upgrading key rail crossings (contributions to Brisbane City Council) which will not recur in 2015-16 partially offset by increased expenditure for blackspot projects and TIDS.
24. Increase reflects the increasing value of road infrastructure as a result of continued investment.

## Balance sheet

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

25. Increase primarily reflects the reimbursement from QRA for NDRRA expenditure relating to final project claims that was incurred in 2014-15 and prior years.
26. Variance is primarily due to less than anticipated return of GST due to a reduced capital expenditure program.
27. Variance is primarily due to an increased number of properties that are surplus to requirements that are to be sold.
28. Variance primarily reflects that a revaluation of infrastructure in 2013-14, a budgeted reversal of an infrastructure revaluation decrement did not occur, decreased QRA grant funding for capital expenditure associated with restoration of the road network, deferral of funding from 2014-15 to 2015-16 partially offset by increased funding for the Western Freeway Upgrade and the Moreton Bay Rail Link project.
29. Decrease is mainly due to a reclassification of land resumptions to provisions and a lower volume of infrastructure and NDRRA works.
30. Increase reflects a reclassification of the value of land resumptions from payables.

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

31. Increase primarily reflects the reimbursement from QRA for NDRRA expenditure relating to final project claims that was incurred in 2014-15 and prior years.
32. Variance is primarily due to less than anticipated return of GST due to a reduced capital expenditure program.
33. Variance is primarily due to an increased number of properties that are surplus to requirements that are to be sold.
34. Variance primarily reflects that a revaluation of infrastructure in 2013-14, a budgeted reversal of an infrastructure revaluation decrement did not occur, decreased QRA grant funding for capital expenditure associated with restoration of the road network partially offset by increased funding for the Toowoomba Second Range Crossing and the Moreton Bay Rail Link project.
35. Decrease is mainly due to a reclassification of land resumptions to provisions and a lower volume of infrastructure and NDRRA works.
36. Increase reflects a reclassification of the value of land resumptions from payables.
37. Decrease reflects the repayment of loans and reduction in the Gold Coast Rapid Transit prepaid lease.

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

38. Decrease is mainly due to revenue received in earlier years being spent in 2015-16 (for example developers' contributions).
39. Increase reflects the deferral of funding from 2014-15, an increased investment in transport infrastructure, and expenditure on the Toowoomba Second Range Crossing and the Moreton Bay Rail Link project.
40. Decrease reflects the reduction in the value of intangibles through amortisation.
41. Decrease reflects the repayment of loans and reduction in the Gold Coast Rapid Transit prepaid lease.

# Cash flow statement

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

42. The conditions outlined in the notes below have impacted on the amount of appropriation received by the department.
43. Variance is mainly due to higher than anticipated revenue from recoverable works including reimbursement from Queensland Rail for construction of the Lawnton to Petrie rail line project and unbudgeted revenue from the National Heavy Vehicle Regulator for activities performed on its behalf partially offset by reduced public transport fare revenue.
44. Variance reflects decreased funding from QRA for expenditure on NDRRA works as a result of savings achieved in the delivery of the program.
45. Variance primarily reflects an adjustment to estimates to more closely reflect the anticipated gross GST inflows.
46. Variance is due to expenditure that was previously capitalised being expensed.
47. Variance primarily reflects an adjustment to estimates to more closely reflect the anticipated gross GST outflows.
48. Variance is mainly due to the reclassification of payments made to the National Heavy Vehicle Regulator from "Supplies and Services" and a higher than anticipated volume of work undertaken on local government roads.
49. Variance is due to higher than anticipated revenue received from sales of surplus property and land.
50. Variance primarily reflects decreased expenditure associated with restoration of the road network as a result of the natural disasters from 2011 to 2013 and deferral of funding from 2014-15 to 2015-16 partially offset by increased funding for the Western Freeway Upgrade and the Moreton Bay Rail Link project.
51. Decrease is mainly due to deferral of funding from 2014-15 to 2015-16 to reflect project cash flows.

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

52. The conditions outlined in the notes below have impacted on the amount of appropriation received by the department.
53. Variance is mainly due to higher than anticipated revenue from recoverable works including reimbursement from Queensland Rail for construction of the Lawnton to Petrie rail line project and unbudgeted revenue from the National Heavy Vehicle Regulator for activities performed on its behalf partially offset by reduced public transport fare revenue.
54. Variance reflects decreased funding from QRA for expenditure on NDRRA works as a result of completion of works relating to the natural disasters from 2011 to 2013.
55. Variance primarily reflects an adjustment to estimates to more closely reflect the anticipated gross GST inflows.
56. Increase is due to expenditure that was previously capitalised being expensed and a budgeted enterprise bargaining increase.
57. Variance primarily reflects an adjustment to estimates to more closely reflect the anticipated gross GST outflows, increased expenditure under transport service contracts with Queensland Rail and the Lawnton to Petrie rail line project (cost recovered from Queensland Rail). These increases are offset by decreased expenditure for regional freight and livestock contracts and a reclassification of payments made to the National Heavy Vehicle Regulator for activities performed on its behalf to "Grants and Subsidies".
58. Variance is mainly due to decreased expenditure for Royalties for the Regions and upgrading key rail crossings (contributions to Brisbane City Council) which will not recur in 2015-16 partially offset by increased expenditure for blackspot projects, TIDS and National Heavy Vehicle Regulator for activities performed on its behalf.
59. Variance primarily reflects decreased QRA grant funding for capital expenditure associated with restoration of the road network partially offset by increased funding for the Toowoomba Second Range Crossing and the Moreton Bay Rail Link project.
60. Variance primarily reflects decreased capital funding for investment in transport infrastructure and the Moreton Bay Rail Link project partially offset by increased funding for the Toowoomba Second Range Crossing.

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

61. The conditions outlined in the notes below have impacted on the amount of appropriation received by the department.
62. Variance is mainly due to an increase in revenue for reimbursement from Queensland Rail for construction of the Lawnton to Petrie rail line project.
63. Variance reflects decreased funding from QRA for expenditure on NDRRA works as a result of completion of works relating to the natural disasters from 2011 to 2013.
64. Decrease primarily reflects an estimated reduction in RoadTek dividend in 2015-16 due to a lower volume of work undertaken.
65. Increase is primarily due to a budgeted enterprise bargaining increase.
66. Variance primarily reflects increased expenditure under transport service contracts with Queensland Rail and the Lawnton to Petrie rail line project (cost recovered from Queensland Rail) and road operations and maintenance offset by decreased expenditure for regional freight and livestock contracts.
67. Variance is mainly due to decreased expenditure for Royalties for the Regions and upgrading key rail crossings (contributions to Brisbane City Council) which will not recur in 2015-16 partially offset by increased expenditure for blackspot projects and TIDS.
68. Variance is due to higher than anticipated sales of surplus property and land in 2014-15 which is not expected to recur in 2015-16.
69. Movement primarily reflects the deferral of funding from 2014-15 and increased expenditure for the Toowoomba Second Range Crossing. This is partially offset by decreased funding for the Moreton Bay Rail Link project.

## **Administered income statement**

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

70. The increased revenue primarily reflects higher than anticipated growth in fees revenue.

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

71. The increased revenue reflects the effect of indexation applied to vehicle registration and transport and traffic fees and growth in the number of vehicles.
72. The increased revenue is mainly due to indexation applied to fines and an estimated higher volume of traffic infringement notices being issued as a result of the use of additional enforcement hours to detect infringements at road works sites and to identify unregistered vehicles.

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

73. The increased revenue reflects the effect of indexation applied to vehicle registration and transport and traffic fees and growth in the number of vehicles.
74. The increased revenue is mainly due to indexation applied to fines and an estimated higher volume of traffic infringement notices being issued as a result of the use of additional enforcement hours to detect infringements at road works sites and to identify unregistered vehicles.

## **Administered balance sheet**

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

75. Decrease is mainly due to a change in accounting treatment for Compulsory Third Party insurance premiums collected on behalf of insurers.

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

76. Decrease is mainly due to a change in accounting treatment for Compulsory Third Party insurance premiums collected on behalf of insurers.

## Administered cash flow statement

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

- 77. The increased revenue primarily reflects higher than anticipated growth in fees revenue.

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

- 78. The increased revenue reflects the effect of indexation applied to vehicle registration and transport and traffic fees and growth in the number of vehicles.
- 79. The increased revenue is mainly due to indexation applied to fines and an estimated higher volume of traffic infringement notices being issued as a result of the use of additional enforcement hours to detect infringements at road works sites and to identify unregistered vehicles.
- 80. The increased revenue reflects the effect of indexation applied to vehicle registration and transport and traffic fees and growth in the number of vehicles, indexation applied to fines and an estimated higher volume of traffic infringement notices being issued as a result of the use of additional enforcement hours to detect infringements at road works sites and to identify unregistered vehicles.
- 81. Variance reflects a contribution to Queensland Rail for capital works expenditure.

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

- 82. The increased revenue reflects the effect of indexation applied to vehicle registration and transport and traffic fees and growth in the number of vehicles.
- 83. The increased revenue is mainly due to indexation applied to fines and an estimated higher volume of traffic infringement notices being issued as a result of the use of additional enforcement hours to detect infringements at road works sites and to identify unregistered vehicles.
- 84. The increased revenue reflects the effect of indexation applied to vehicle registration and transport and traffic fees and growth in the number of vehicles, indexation applied to fines and an estimated higher volume of traffic infringement notices being issued as a result of the use of additional enforcement hours to detect infringements at road works sites and to identify unregistered vehicles.
- 85. Variance reflects a contribution to Queensland Rail for capital works expenditure.

# Reporting Entity Financial Statements

Reporting Entity comprises:

- Department of Transport and Main Roads (excluding Administered);
- RoadTek.

## Reporting entity income statement

Department of Transport and Main Roads	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
<b>INCOME</b>				
Appropriation revenue		4,619,043	4,498,082	4,601,502
Taxes		..	..	..
User charges and fees		741,085	803,606	819,386
Royalties and land rents		..	..	..
Grants and other contributions		859,552	498,086	183,703
Interest		..	..	..
Other revenue		79,919	95,085	87,750
Gains on sale/revaluation of assets		3,812	3,874	3,045
<b>Total income</b>		<b>6,303,411</b>	<b>5,898,733</b>	<b>5,695,386</b>
<b>EXPENSES</b>				
Employee expenses		555,569	561,095	579,232
Supplies and services		2,956,569	2,977,807	3,047,448
Grants and subsidies		430,144	474,495	470,843
Depreciation and amortisation		1,185,907	1,121,531	1,132,845
Finance/borrowing costs		91,253	90,310	85,924
Other expenses		22,143	19,775	22,517
Losses on sale/revaluation of assets		147,087	147,292	147,148
<b>Total expenses</b>		<b>5,388,672</b>	<b>5,392,305</b>	<b>5,485,957</b>
Income tax expense/revenue		5,382	6,213	3,995
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>909,357</b>	<b>500,215</b>	<b>205,434</b>



# Reporting entity balance sheet

Department of Transport and Main Roads	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
<b>CURRENT ASSETS</b>				
Cash assets		416,470	748,846	700,609
Receivables		181,150	214,368	218,883
Other financial assets		..	..	..
Inventories		17,874	12,526	12,736
Other		16,955	12,644	12,656
Non financial assets held for sale		10,114	34,523	34,523
<b>Total current assets</b>		<b>642,563</b>	<b>1,022,907</b>	<b>979,407</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		..	..	..
Other financial assets		601	601	601
Property, plant and equipment		64,806,373	61,526,954	62,898,515
Deferred tax assets		5,088	4,760	4,760
Intangibles		94,440	99,113	84,931
Other		1,080	1,407	1,407
<b>Total non-current assets</b>		<b>64,907,582</b>	<b>61,632,835</b>	<b>62,990,214</b>
<b>TOTAL ASSETS</b>		<b>65,550,145</b>	<b>62,655,742</b>	<b>63,969,621</b>
<b>CURRENT LIABILITIES</b>				
Payables		1,280,189	867,861	869,115
Current tax liabilities		6,869	(1,023)	(1,578)
Accrued employee benefits		25,510	25,940	26,025
Interest bearing liabilities and derivatives		82,379	79,995	80,001
Provisions		..	105,374	105,374
Other		51,989	59,698	60,844
<b>Total current liabilities</b>		<b>1,446,936</b>	<b>1,137,845</b>	<b>1,139,781</b>
<b>NON-CURRENT LIABILITIES</b>				
Payables		..	..	..
Deferred tax liabilities		..	..	..
Accrued employee benefits		5,931	4,781	4,781
Interest bearing liabilities and derivatives		1,142,689	1,146,136	1,056,269
Provisions		..	187,567	187,567
Other		(356)	..	..
<b>Total non-current liabilities</b>		<b>1,148,264</b>	<b>1,338,484</b>	<b>1,248,617</b>
<b>TOTAL LIABILITIES</b>		<b>2,595,200</b>	<b>2,476,329</b>	<b>2,388,398</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>62,954,945</b>	<b>60,179,413</b>	<b>61,581,223</b>
<b>EQUITY</b>				
<b>TOTAL EQUITY</b>		<b>62,954,945</b>	<b>60,179,413</b>	<b>61,581,223</b>

# Reporting entity cash flow statement

Department of Transport and Main Roads	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		4,619,043	4,527,872	4,601,502
User charges and fees		892,124	990,850	961,494
Royalties and land rent receipts		..	..	..
Grants and other contributions		859,552	495,866	183,703
Interest received		..	..	..
Taxes		..	..	..
Other		605,718	814,677	807,406
<b>Outflows:</b>				
Employee costs		(555,468)	(560,994)	(579,147)
Supplies and services		(3,488,305)	(3,704,036)	(3,770,083)
Grants and subsidies		(430,144)	(474,495)	(470,843)
Borrowing costs		(91,374)	(90,431)	(86,045)
Taxation equivalents paid		(8,320)	(8,951)	(4,550)
Other		(164,418)	(161,872)	(164,636)
<b>Net cash provided by or used in operating activities</b>		<b>2,238,408</b>	<b>1,828,486</b>	<b>1,478,801</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Inflows:</b>				
Sales of non financial assets		59,372	79,443	65,779
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
<b>Outflows:</b>				
Payments for non financial assets		(3,922,523)	(2,508,257)	(2,699,332)
Payments for investments		..	..	..
Loans and advances made		..	..	..
<b>Net cash provided by or used in investing activities</b>		<b>(3,863,151)</b>	<b>(2,428,814)</b>	<b>(2,633,553)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		..	..	2,000
Equity injections		2,501,604	1,879,329	2,021,143
<b>Outflows:</b>				
Borrowing redemptions		(74,422)	(74,345)	(81,636)
Finance lease payments		(8,934)	(7,866)	(10,225)
Equity withdrawals		(822,582)	(853,377)	(824,767)
Dividends paid		..	..	..
<b>Net cash provided by or used in financing activities</b>		<b>1,595,666</b>	<b>943,741</b>	<b>1,106,515</b>
<b>Net increase/(decrease) in cash held</b>		<b>(29,077)</b>	<b>343,413</b>	<b>(48,237)</b>
<b>Cash at the beginning of financial year</b>		<b>445,547</b>	<b>405,433</b>	<b>748,846</b>
Cash transfers from restructure		..	..	..
<b>Cash at the end of financial year</b>		<b>416,470</b>	<b>748,846</b>	<b>700,609</b>

# Commercialised business unit

## RoadTek

### Overview

RoadTek specialises in delivering technically difficult and hard-to-scope projects for state and local governments in regional and remote areas. RoadTek's range of services includes civil, structures, electrical and line marking and is supported by an in-house construction fleet. RoadTek:

- continues to operate as a commercial business unit in the Department of Transport and Main Roads, delivering transport infrastructure, maintenance works and services, and with a highly skilled and capable workforce is able to respond at short notice to disruptive events and infrastructure failures across Queensland
- is active in investigating, trialling and developing innovative solutions and practices as well as delivering tactical asset management and detailed analysis to support investment planning and decision making
- plays a crucial role in developing the infrastructure delivery skills for the department, government and the community, including partnering with regional and Indigenous communities to enhance training, development and employment opportunities.

Work continues across RoadTek's operations to align resources, people and equipment following the completion of the Transport Network Reconstruction Program.

The priority areas shaping RoadTek's direction in 2015-16, include:

- delivering quality projects and transport solutions
- driving efficiencies in how we do our business
- developing our people for today and tomorrow.

### Service performance

As a commercial business unit, RoadTek is instrumental in the delivery of numerous projects on the State's extensive road and bridge network. This includes emergency response and related activities as well as the delivery of projects that restore infrastructure and services after natural disasters. During 2014-15, RoadTek has progressed a number of business improvement initiatives including:

- upgraded core systems to leverage new technologies, streamlined processes and introduced reporting mechanisms for labour and plant utilisation
- promoting innovation and early adoption of new technologies including water bladders in remote areas for water storage, the piloting of remote controlled inspection 'vehicles' for culvert inspections and remotely piloted aircraft for aerial inspection of bridges, marine infrastructure and the like.

RoadTek continues to perform strongly, delivering value to our customers and quality infrastructure solutions for the community. Over recent years, RoadTek has:

- delivered programs of works for state and local governments as well as the private sector, returning a financial return/dividend to TMR of \$32.9 million in 2013-14 and a forecasted dividend of \$7.5 million in 2014-15
- delivered \$337 million in 2013-14 and a forecasted \$92 million in 2014-15 of the Transport Network Reconstruction Program for both state and local governments
- improved its safety performance and reduced the number of Lost Time Injuries from 41 in 2010-11, to 26 in 2013-14, and forecasting 20 in 2014-15.

In 2015-16, RoadTek will:

- continue to deliver transport infrastructure projects and solutions on behalf of Transport and Main Roads and Regional Councils

- drive continuous improvement and innovations in processes and practices to achieve greater efficiencies including the Mobile Data Collection Implementation, Roadworker Safety initiatives and the Asset Maintenance Management System replacement
- develop our people in business management, technical and operational qualifications.

## Service performance

### Performance statement

#### Transport Infrastructure Construction and Maintenance

##### Service area objective

RoadTek provides transport infrastructure solutions, including construction and maintenance services to enable Transport and Main Roads to deliver on Government priorities and outcomes for the community.

##### Service area description

As a commercial business unit within the Department of Transport and Main Roads, RoadTek is instrumental in the delivery of numerous projects on the State's extensive road and bridge network. This includes emergency response and related activities as well as the delivery of projects that restore infrastructure and services after natural disasters.

RoadTek	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
<b>Service area: Transport Infrastructure Construction and Maintenance</b>				
<b>Service standards</b>				
<i>Effectiveness measures</i>				
Lost time injury frequency rate		<10	9	<10
Customers' and stakeholders' value of RoadTek (on a scale of 1 to 5)	1	>4	4.3	>4
<i>Efficiency measures</i>				
Long term debt / equity	2	10.1%	12.9%	13.1%
Long term debt / total assets	2	7.3%	9.3%	9.6%
Return on equity	3	6.6%	9.8%	6.4%
Return on revenue (after tax)	4	2.5%	2.8%	2.5%
Profit margin (earnings before income tax / user charges)	5	3.6%	3.9%	3.5%

Notes:

1. Results for this measure are derived from a sample of customers and stakeholders that are surveyed to gauge overall satisfaction of RoadTek's performance in the areas of financial delivery, internal processes and practices, stakeholder relationships, and people and capability experienced throughout the delivery of the infrastructure project or program.
2. Weakened position is due to reduced equity position.
3. Return on equity has reduced for 2015-16 due to a reduced program of work with tight margins.
4. Return on revenue (after tax) for 2015-16 is reduced due to reduced program of work.
5. Profit margin for 2015-16 is reduced due to reduced program of work.

# Staffing<sup>1</sup>

RoadTek	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
RoadTek	2	1,150	1,148	1,219

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. RoadTek is forecasting an increase in FTEs as RoadTek accommodates Apprentices and Trainees into the workforce and continues to reduce long term reliance on labour hire and transitions temporary resources to full time to support maintenance delivery.

# Income statement

RoadTek	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
<b>INCOME</b>				
User charges and fees	1,9,18	495,685	522,402	374,189
Grants and other contributions		..	58	15
Interest	2,10,19	1,190	1,922	1,477
Other revenue	3,11,20	1,179	1,630	549
Gains on sale/revaluation of assets	12,21	1,312	1,374	545
<b>Total income</b>		<b>499,366</b>	<b>527,386</b>	<b>376,775</b>
<b>EXPENSES</b>				
Employee expenses	4,13,22	116,609	107,494	113,311
Supplies and services	5,14,23	341,075	369,335	231,617
Grants and subsidies		95	..	..
Depreciation and amortisation	6,15,24	16,629	22,331	12,757
Finance/borrowing costs		1,648	1,601	1,612
Other expenses	16,25	3,827	4,169	2,559
Losses on sale/revaluation of assets	7	1,540	1,745	1,601
<b>Total expenses</b>		<b>481,423</b>	<b>506,675</b>	<b>363,457</b>
Income tax expense/revenue	8,17,26	5,382	6,213	3,995
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>12,561</b>	<b>14,498</b>	<b>9,323</b>

# Balance sheet

RoadTek	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
<b>CURRENT ASSETS</b>				
Cash assets	27,34	40,175	61,146	61,638
Receivables	28,35	101,353	46,233	49,910
Other financial assets		..	..	..
Inventories	29,36	39,673	31,741	31,818
Other		798	826	811
Non financial assets held for sale		..	..	..
<b>Total current assets</b>		<b>181,999</b>	<b>139,946</b>	<b>144,177</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	30,37,41	72,412	59,070	49,313
Deferred tax assets		5,088	4,760	4,760
Intangibles		..	..	..
Other		..	..	..
<b>Total non-current assets</b>		<b>77,500</b>	<b>63,830</b>	<b>54,073</b>
<b>TOTAL ASSETS</b>		<b>259,499</b>	<b>203,776</b>	<b>198,250</b>
<b>CURRENT LIABILITIES</b>				
Payables	31,38	39,782	33,931	31,253
Current tax liabilities	32,39,42	6,869	(1,023)	(1,578)
Accrued employee benefits		4,826	4,580	4,562
Interest bearing liabilities and derivatives		19,000	19,000	19,000
Provisions		..	..	..
Other		..	..	..
<b>Total current liabilities</b>		<b>70,477</b>	<b>56,488</b>	<b>53,237</b>
<b>NON-CURRENT LIABILITIES</b>				
Payables		..	..	..
Deferred tax liabilities		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
<b>Total non-current liabilities</b>		<b>..</b>	<b>..</b>	<b>..</b>
<b>TOTAL LIABILITIES</b>		<b>70,477</b>	<b>56,488</b>	<b>53,237</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>189,022</b>	<b>147,288</b>	<b>145,013</b>
<b>EQUITY</b>				
<b>TOTAL EQUITY</b>	33,40	<b>189,022</b>	<b>147,288</b>	<b>145,013</b>

# Cash flow statement

RoadTek	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
User charges and fees	43,52,61	506,827	569,749	375,413
Grants and other contributions		..	58	15
Interest received	44,53,62	1,190	1,922	1,477
Other		31,179	31,630	30,549
<b>Outflows:</b>				
Employee costs	45,54,63	(116,609)	(107,494)	(113,329)
Supplies and services	46,55,64	(381,795)	(410,755)	(269,358)
Grants and subsidies		(95)	..	..
Borrowing costs		(1,648)	(1,601)	(1,612)
Taxation equivalents paid	47,56,65	(8,320)	(8,951)	(4,550)
Other	57,66	(3,827)	(4,169)	(2,559)
<b>Net cash provided by or used in operating activities</b>		<b>26,902</b>	<b>70,389</b>	<b>16,046</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Inflows:</b>				
Sales of non financial assets	48,58,67	1,872	4,443	1,044
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
<b>Outflows:</b>				
Payments for non financial assets	49,59	(10,000)	(5,000)	(5,000)
Payments for investments		..	..	..
Loans and advances made		..	..	..
<b>Net cash provided by or used in investing activities</b>		<b>(8,128)</b>	<b>(557)</b>	<b>(3,956)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		..	..	..
Equity injections		..	..	..
<b>Outflows:</b>				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	50,68	..	(30,000)	..
Dividends paid	51,60,69	(31,983)	(37,949)	(11,598)
<b>Net cash provided by or used in financing activities</b>		<b>(31,983)</b>	<b>(67,949)</b>	<b>(11,598)</b>
<b>Net increase/(decrease) in cash held</b>		<b>(13,209)</b>	<b>1,883</b>	<b>492</b>
<b>Cash at the beginning of financial year</b>		<b>53,384</b>	<b>59,263</b>	<b>61,146</b>
Cash transfers from restructure		..	..	..
<b>Cash at the end of financial year</b>		<b>40,175</b>	<b>61,146</b>	<b>61,638</b>



# Explanation of variances in the financial statements

## Income statement

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

1. The increase in user charges is due to flood damage emergent and recovery work from recent flood events.
2. The increase in interest is due to an improved balance in cash assets.
3. The increase in other revenue is due to insurance claim revenue.
4. The decrease in employee expenses is due to a reduction in the amount of overtime paid.
5. The increase in supplies and services is due to the increased program of work.
6. The increase in depreciation and amortisation costs is due to asset reliving process on plant and equipment.
7. The increase in losses on sale/revaluation of assets is due to disposal of an increased number of plant and equipment items with a resulting loss on sale against book value.
8. The increase in income tax expenses is due to an increased surplus from trading.

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

9. The decrease in user charges and fees is due to a reduced program of works and completion of flood damage projects.
10. The increase in interest is due to an improved balance in cash assets.
11. The decrease in other revenue is due to an estimated smaller amount of insurance claim revenue.
12. The decrease in gains on sale/revaluation is due to a tighter disposal market.
13. The decrease in employee expenses is due to a reduction in overtime spend offset by an increase in apprentices and trainees.
14. The decrease in supplies and services is due to a reduced program of works.
15. The decrease in depreciation and amortisation is due to disposal of plant and equipment and very few acquisitions of new plant and equipment.
16. The decrease in other expenses is due to smaller insurance costs due to a reduced program.
17. The decrease in income tax expense is due to an expected reduced surplus.

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

18. The decrease in user charges and fees is due to a reduced program of works and completion of flood damage projects.
19. The decrease in interest is due lower interest rates.
20. The decrease in other revenue is due to an estimated smaller amount of insurance claim revenue.
21. The decrease in gains on sale/revaluation is due to reduced demand for second hand construction plant and equipment.
22. The increase in employee expenses is due to increase in apprentices and trainees and transition of labour hire for maintenance delivery.
23. The decrease in supplies and services is due to the reduced program of work.
24. The decrease in depreciation and amortisation costs is due to disposal of plant and equipment and very few acquisitions of new plant and equipment.
25. The decrease in other expenses is due to smaller insurance costs due to a reduced program.
26. The decrease in income tax expense is due to an expected reduction in surplus from trading.

## Balance sheet

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

27. The increase in cash assets is due to a reduction in accounts receivable balance.

28. The decrease in receivables is due to improved management of accounts receivable.
29. The decrease in inventories is due to improved management of work in progress and stock holdings.
30. The decrease in property, plant and equipment is due to an increased disposal program and asset reliving of plant and equipment items.
31. The decrease in payables is due to an improved focus on accounts payable timelines.
32. The decrease in current tax liabilities is due to a higher monthly instalment rate for tax payments.
33. The decrease in equity is primarily due to a one off reduction in equity of \$30 million.

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

34. The increase in cash assets is due to a reduction in accounts receivable balance.
35. The decrease in receivables is due to a reduced program of work and improved receivables management.
36. The decrease in inventories is due to reduced works program and improved work in progress and stock control management.
37. The decrease in property, plant and equipment is due to a continuing disposal program and minimal acquisition program.
38. The decrease in payables is due to a reduced works program.
39. The decrease in current tax liabilities is due to a higher monthly instalment rate for tax payments.
40. The decrease in equity is primarily due to a one off reduction in equity of \$30 million.

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

41. The decrease in property, plant and equipment is due to a continuing disposal program and minimal acquisition program.
42. The decrease in current tax liabilities is due to a higher monthly instalment rate for tax payments.

## Cash flow statement

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

43. The increase in user charges is due to flood damage emergent and recovery work from recent flood events.
44. The increase in interest is due to an improved balance in cash assets.
45. The decrease in employee expenses is due to a reduction in the amount of overtime paid.
46. The increase in supplies and services is due to an increased program of work.
47. The increase in taxation equivalents paid is due to better than budgeted trading surplus.
48. The increase in sales of non-financial assets is due to the increased disposal of construction plant and equipment.
49. The decrease in payments for non financial assets is due to a planned reduction in purchase of construction plant and equipment.
50. The increase in equity withdrawals is due to a one off reduction in RoadTek equity.
51. The increase in dividends paid is due to profitable trading and an increased margin.

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

52. The decrease in user charges and fees is due to a reduction in the works program.
53. The increase in interest is due to an expected improved balance in cash assets.
54. The decrease in employee expenses is due to a reduction in overtime spend offset by an increase in apprentices and trainees.
55. The decrease in supplies and services is due to a reduction in the works program.
56. The decrease in taxation equivalents paid is due to a budgeted reduction in trading profit.
57. The decrease in other expenses is due to smaller insurance costs due to a reduced program.
58. The decrease in sales of non-financial assets is due to reduced demand for second hand construction plant and equipment.

- 59. The decrease in payments for property non financial assets is due to a planned reduction in purchase of construction plant and equipment.
- 60. The decrease in dividends paid is due to a budgeted reduction in trading profit.

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

- 61. The decrease in user charges is due to a reduction in the works program.
- 62. The decrease in interest is due lower interest rates.
- 63. The increase in employee expenses is due to increase in apprentices and trainees and transition of labour hire for maintenance delivery.
- 64. The decrease in supplies and services is due to a reduction in the works program.
- 65. The decrease in taxation equivalents paid is due to a budgeted reduction in trading profit.
- 66. The decrease in other expenses is due to smaller insurance costs due to a reduced program.
- 67. The decrease in sales of non-financial assets is due to reduced demand for second hand construction plant and equipment.
- 68. The increase in equity withdrawals is due to a one off transfer of equity.
- 69. The decrease in dividends paid is due to a budgeted reduction in trading profit.

# Statutory body

## Gold Coast Waterways Authority

### Overview

The Gold Coast Waterways Authority (the Authority) operates under the *Gold Coast Waterways Authority Act 2012*. The Authority has responsibility for delivering the best possible management of and access to the Gold Coast waterways at reasonable cost to the community and Government, while minimising regulation.

The Gold Coast Waterways Management Strategy 2014 – 2023 sets out a vision and objectives to sustain, enhance and promote the waterways and is supported by a four year rolling Waterways Management Program.

The Authority contributes to all of the Government's objectives for the community:

- creating jobs and a diverse economy
- delivering quality frontline services
- protecting the environment
- building safe, caring and connected communities.

The Authority contributes to the Government's overall objectives in general, and specifically to the objective of 'creating jobs and a diverse economy' by recognising that the waterways of the Gold Coast are a major generator of jobs and a driver of economic development. In this regard, the Authority continues to work collaboratively with industry, the community and other government agencies to deliver new marine infrastructure to support individuals and businesses using the waterways.

To deliver its planned outcomes, the Authority focuses on the following objectives as outlined in the Gold Coast Waterways Authority Strategic Plan 2015-19:

- enjoyment of the waterways is sustainable, safe and efficient
- investment in improved waterways access balances diversity of use and protects environmental values
- decisions are informed by sound research and guided by consultation with stakeholders and by future demand, while also meeting investment criteria
- plans and actions for the waterways are coordinated with and responsive to other related activities.

### Service performance

Since establishment in December 2012, the Authority's key achievements include:

- coordination of waterways management to address "hotspot" issues for speed and congestion, including installation of behaviour monitoring cameras to augment enforcement activities
- conducting reviews of policy and regulation of speed limits and buoy mooring arrangements
- establishment of the Currumbin Estuary Safety Awareness campaign
- improving navigational access by dredging channels and maintaining and improving navigational aids
- providing new and improved destinations by delivering marine infrastructure such as the Dux Anchorage pontoon, Holly Avenue and Jasmin Avenue boat ramps at Runaway Bay and the Seaway diver access stairs
- ensuring that navigational access is maintained at the entrance to the Gold Coast Seaway through the efficient operation of the Sand Bypass System
- promotion of the waterways by participating in or supporting events such as the Sanctuary Cove International Boat Show, Gold Coast International Marine Expo, City of Gold Coast's GLOW festival and Marine 15 marina industry conference.

In 2015-16, the Authority will build on the achievements delivered to date and continue to focus on delivering the Waterways Management Strategy and Program objectives, including:

- dredging projects in the Labrador Channel, Tipplers Passage, Biggera Creek, Jacobs Well, Cabbage Tree Point, Coomera River Downstream, Canaipa Passage, Currigee Inlet and the Main Channel South/Coomera River North Branch
- maintaining and improving boating infrastructure including construction of boat ramps and pontoons at the Southport Broadwater Parklands, Currumbin Creek, Tallebudgera Creek and Coleman Road, Coomera Waters
- finalising design and approvals for the Coomera Dredge Spoil Management facility
- finalising and implementing the outcomes of the Speed Limit Review
- implementing the Surfers Riverfront Masterplan
- progressing master planning for and improvements to Doug Jennings Park
- developing appropriate systems to facilitate stakeholder access to waterways information.

## Service performance

### Performance statement

### Management of and Access to the Gold Coast Waterways

#### Service area objective

To provide better management of, and access to the Gold Coast waterways.

#### Service area description

The Authority will deliver numerous projects and services to support the service area objective, including dredging of channels, maintenance and development of boating and navigational facilities, management of development and planning approvals, authorisation of aquatic events, management of speed and behaviour and promotion of the value of the waterways to Gold Coast residents, visitors and businesses.

Gold Coast Waterways Authority	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
<b>Service area: Management of and Access to the Gold Coast Waterways</b>				
<b>Service standards</b>				
<i>Effectiveness measures</i>				
Percentage of Waterways Management Program commitments completed on time and on budget	1	80	60	80
Percentage of customer enquiries actioned within customer service standards	2	80	82	80
Percentage of community's overall satisfaction with GCWA's implementation of the 10 year Waterways Management Strategy		80	80	80
<i>Efficiency measures</i>				
Cost per cubic metre of operating the Gold Coast Sand Bypass System	3	New measure	New measure	\$1.80
Average annual cost to manage and maintain each navigation aid in the Gold Coast waterways	4	New measure	New measure	\$345

Notes:

1. The 2014-15 Estimated Actual result is due to unanticipated delays in receiving approvals for some works.
2. Customer service standards outline the quality, timeliness and level of support provided by the Authority when addressing enquiries.

3. Includes all costs to operate the Gold Coast Sand Bypass System, including salaries, maintenance, electricity and any other ancillary costs and is based on an annual average littoral drift of 500,000 m<sup>3</sup> of sand per year.
4. Includes costs to manage and maintain 2,070 aids to navigation located in the Gold Coast waterways including salaries, inventory, associated vessel costs and any other ancillary costs.

# Staffing<sup>1</sup>

Gold Coast Waterways Authority	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
Gold Coast Waterways Authority	2	23	24	28

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. The variance between the 2014-15 Estimated Actual and the 2015-16 Budget is a result of increasing scope and quantity of work attributed to the delivery of the Waterways Management Program and to service the flow-on procurement, contract management and on-water activities.

# Income statement

Gold Coast Waterways Authority	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
<b>INCOME</b>				
Taxes		..	..	..
User charges and fees	5	9,431	9,353	10,345
Grants and other contributions		..	..	..
Interest		150	150	100
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
<b>Total income</b>		<b>9,581</b>	<b>9,503</b>	<b>10,445</b>
<b>EXPENSES</b>				
Employee expenses	1,3,6	1,848	1,993	2,270
Supplies and services	2,4,7	3,896	3,695	4,244
Grants and subsidies		..	..	..
Depreciation and amortisation		2,888	2,810	2,900
Finance/borrowing costs		..	..	..
Other expenses		949	1,005	1,031
Losses on sale/revaluation of assets		..	..	..
<b>Total expenses</b>		<b>9,581</b>	<b>9,503</b>	<b>10,445</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>..</b>	<b>..</b>	<b>..</b>



# Balance sheet

Gold Coast Waterways Authority	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
<b>CURRENT ASSETS</b>				
Cash assets	8,14,19	2,175	5,975	1,709
Receivables	9,15	376	619	619
Other financial assets		..	..	..
Inventories		130	137	137
Other		..	..	..
Non financial assets held for sale		..	..	..
<b>Total current assets</b>		<b>2,681</b>	<b>6,731</b>	<b>2,465</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	10,16,20	170,891	174,914	182,181
Intangibles		..	..	..
Other		..	..	..
<b>Total non-current assets</b>		<b>170,891</b>	<b>174,914</b>	<b>182,181</b>
<b>TOTAL ASSETS</b>		<b>173,572</b>	<b>181,645</b>	<b>184,646</b>
<b>CURRENT LIABILITIES</b>				
Payables	11,17	767	2,002	2,002
Accrued employee benefits	12,18	116	312	312
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		20	5	5
<b>Total current liabilities</b>		<b>903</b>	<b>2,319</b>	<b>2,319</b>
<b>NON-CURRENT LIABILITIES</b>				
Payables		..	..	..
Accrued employee benefits		84	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
<b>Total non-current liabilities</b>		<b>84</b>	<b>..</b>	<b>..</b>
<b>TOTAL LIABILITIES</b>		<b>987</b>	<b>2,319</b>	<b>2,319</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>172,585</b>	<b>179,326</b>	<b>182,327</b>
<b>EQUITY</b>				
<b>TOTAL EQUITY</b>	13	<b>172,585</b>	<b>179,326</b>	<b>182,327</b>

# Cash flow statement

Gold Coast Waterways Authority	Notes	2014-15 Budget \$'000	2014-15 Est. Act. \$'000	2015-16 Budget \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
User charges and fees	27	9,431	9,353	10,345
Grants and other contributions		..	..	..
Interest received		150	150	100
Taxes		..	..	..
Other		..	..	..
<b>Outflows:</b>				
Employee costs	21,24,28	(1,848)	(1,993)	(2,270)
Supplies and services	22,25,29	(3,896)	(3,695)	(4,244)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(949)	(1,005)	(1,031)
<b>Net cash provided by or used in operating activities</b>		<b>2,888</b>	<b>2,810</b>	<b>2,900</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	23,26,30	(7,697)	(6,506)	(10,167)
Payments for investments		..	..	..
Loans and advances made		..	..	..
<b>Net cash provided by or used in investing activities</b>		<b>(7,697)</b>	<b>(6,506)</b>	<b>(10,167)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		..	..	..
Equity injections		5,697	5,901	5,901
<b>Outflows:</b>				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		(2,888)	(2,810)	(2,900)
<b>Net cash provided by or used in financing activities</b>		<b>2,809</b>	<b>3,091</b>	<b>3,001</b>
<b>Net increase/(decrease) in cash held</b>		<b>(2,000)</b>	<b>(605)</b>	<b>(4,266)</b>
<b>Cash at the beginning of financial year</b>		<b>4,175</b>	<b>6,580</b>	<b>5,975</b>
Cash transfers from restructure		..	..	..
<b>Cash at the end of financial year</b>		<b>2,175</b>	<b>5,975</b>	<b>1,709</b>

# Explanation of variances in the financial statements

## Income statement

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

1. Increase in employee expenses is primarily attributed to re-classification of positions following an organisational re-structure.
2. Decrease in other supplies and services is primarily due to savings in electricity costs associated with operating the Gold Coast Seaway Sand Bypass System and payments made to contractors.

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

3. Increase in employee expenses is attributed to re-classification of positions following an organisational re-structure and projected additional FTE requirements to address growth in the scope and quantity of services and works to be delivered. Partial offset aligned to a decrease in other supplies and services expenses associated with employment agency contractor payments in 2015-16.
4. Increase in other supplies and services is primarily due to growth in scope and quantity of services/works to be delivered.

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

5. Increase in user charges is primarily attributed to increased level of operational funding provided from Department of Transport and Main Roads to cover EBA and depreciation growth and the effect of indexation increases applied to fees which are collected by the Authority.
6. Increase in employee expenses is associated with projected additional FTE requirements to address growth in the scope and quantity of services and works to be delivered. This increase is partially offset with a decrease in other supplies and services expenses associated with employment agency contractor payments.
7. Increase in other supplies and services is primarily due to growth in scope and quantity of services/works to be delivered.

## Balance sheet

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

8. Increase in cash assets is a result of capital program carryover funding.
9. Increase in receivables is aligned to timing of GST collections.
10. Increase in property, plant and equipment is due to revaluation of assets, partially offset by reduced capital investments due to unanticipated delays in receiving approvals for some works.
11. Increase in payables is related to increased volume of waterways management program related works.
12. Variance in accrued employee benefits is associated with an increase in approved FTE resulting from growth in scope and quantity of services/works.
13. Increase is primarily attributed to an asset revaluation surplus as a result of a revaluation of assets in 2013-14.

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

14. Decrease in cash assets is associated with planned capital program purchases in 2015-16.
15. Increase in receivables is aligned to timing of GST collections.
16. Increase in property, plant and equipment is due to revaluation of assets and projected capital investments in 2015-16 financial year.
17. Increase in payables is related to increased volume of waterways management program related works.
18. Variance in accrued employee benefits is associated with an increase in approved FTE resulting from growth in scope and quantity of services/works.

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

19. Decrease in cash assets is associated with planned capital program purchases in 2015-16.
20. Increase in property, plant and equipment is due to projected capital investments in 2015-16 financial year.

## Cash flow statement

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

21. Increase in employee expenses is primarily attributed to re-classification of positions following an organisational re-structure.
22. Decrease in other supplies and services is primarily due to savings in electricity costs associated with operating the Gold Coast Seaway Sand Bypass System and payments made to contractors.
23. Decrease is primarily due to unanticipated delays in receiving approvals for programmed works.

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

24. Increase in employee expenses is attributed to re-classification of positions following an organisational re-structure and projected additional FTE requirements to address growth in the scope and quantity of services and works to be delivered. Partial offset aligned to a decrease in other supplies and services expenses associated with employment agency contractor payments in 2015-16.
25. Increase in other supplies and services is primarily due to growth in scope and quantity of services/works to be delivered.
26. Increase is due to deferral of funding from 2014-15 to 2015-16, primarily due to unanticipated delays in receiving approvals for programmed works.

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

27. Increase in user charges is primarily attributed to increased level of operational funding provided from Department of Transport and Main Roads to cover EBA and depreciation growth and the effect of indexation increases applied to fees which are collected by the Authority.
28. Increase in employee expenses is associated with projected additional FTE requirements to address growth in the scope and quantity of services and works to be delivered. This increase is partially offset with a decrease in other supplies and services expenses associated with employment agency contractor payments.
29. Increase in other supplies and services is primarily due to growth in scope and quantity of services/works to be delivered.
30. Increase is due to deferral of funding from 2014-15 to 2015-16, primarily due to unanticipated delays in receiving approvals for programmed works.

# 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)



