

GasFields Commission Queensland
Annual Report 2014 – 2015

About this Report

This annual report reviews the activities and achievements of the GasFields Commission Queensland for the 2014-15 financial year against the strategic objectives and measures of success listed in the Commission's Strategic Plan 2014-2018 and Operational Plan for 2014-15. It has been prepared in accordance with the Commission's regulatory reporting obligations under the *Financial Administration Accountability Act 2009* and the *Financial and Performance Management Standard 2009*.

Public availability and further information

This report, the Strategic Plan 2014-18 and other publications by the GasFields Commission Queensland are available from <http://www.gasfieldscommissionqld.org.au/gasfields/about-us/publications.html>. To obtain a printed copy of this report, please contact the Commission on +61 7 4542 7800 or via the address below.

Additional reporting requirements are published online, available at <http://www.gasfieldscommissionqld.org.au/gasfields/about-us/publications.html>.

Interpreter service



The GasFields Commission Queensland is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty understanding the annual report, you can contact the GasFields Commission Queensland on +61 7 4542 7800 or email us at enquiries@gfcq.org.au and we will arrange an interpreter to effectively communicate the report to you.

Have your say

The Commission hopes you find the GasFields Commission Queensland Annual Report 2014-15 useful and informative. This report is part of the Commission's commitment to keeping people informed about its role in managing and improving sustainable coexistence among rural landholders, regional communities and the onshore gas industry.

The Commission welcomes your comments about the design and content of the report. Please send your feedback to the General Manager, GasFields Commission Queensland, PO Box 102, Toowoomba, QLD. 4350.

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18 September 2015

The Honourable Dr Anthony Lynham MP
Minister for State Development and Minister for Natural Resources and Mines
PO Box 15216
CITY EAST QLD 4002

Dear Minister

I am pleased to present the Annual Report 2014 – 2015 and financial statements for the GasFields Commission Queensland.

I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, and
- the detailed requirements set out in the *Annual report requirements for Queensland Government agencies*.

A checklist outlining the annual reporting requirements can be found at page 47 of this annual report.

Yours sincerely



John Cotter
Commissioner and Chairman
GasFields Commission Queensland

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2014-15 Performance Highlights

Hosted a Community Leaders' Council in Toowoomba (Nov 2014) and two local business forums in Chinchilla (Dec 2014) and Roma (Feb 2015) to share information on industry transition and opportunities for the production phase.

Visited by 170 local businesses during the Surat Basin Energy & Mining Expo in Toowoomba (June 2015). Local business owners engaged directly with procurement managers from major gas operators and contractors in the Commission's trade booth.

Drove more than 30,000 km across Queensland to meet directly with rural landowners, regional communities, local governments and onshore gas operators

Received and actioned 91 enquiries from 44 landholders. One-quarter of queries related to land access matters.

Published four (4) Technical Communication Papers to improve community understanding about key coexistence issues.

Developed a checklist to inform local governments about the ways that gas industry operations can affect their activities and the delivery of infrastructure and services to local communities.

Released a Local Content Checklist providing tips for local businesses to better position for gas supply chain opportunities.

Commenced stocktake of three major gas export pipeline easements between Surat Basin and Gladstone in relation to land rehabilitation and community engagement efforts.

About GasFields Commission Queensland

The GasFields Commission Queensland (the Commission) is an independent statutory body established, under the *Gasfields Commission Act 2013* (the Act), to manage and improve sustainable coexistence among rural landholders, regional communities and the onshore gas industry.

Powers and Functions

The Commission's powers and functions, as prescribed in the Act, include:

- reviewing legislation and regulatory frameworks
- obtaining and publishing educational information
- identifying and advising on coexistence issues
- convening parties for the purpose of resolving issues
- making recommendations to government and industry

Vision

Sustainable rural landholders and regional communities as a legacy of the onshore gas industry in Queensland.

Purpose

To manage and improve sustainable coexistence among rural landholders, regional communities and the onshore gas industry in Queensland.

Values

The Commission's core values are reflected in how we do business by:

- maintaining personal connections
- being transparent and objective
- ensuring independence
- being consultative and communicative
- performing and delivering

Contribution to the Government's Objectives for the Community

The Commission was established to support the coexistence of two critical contributors to the Queensland economy: the agriculture and resources sectors. Our activities contribute to the achievement of the Government's objectives of creating jobs and a diverse economy (in particular, stimulating economic growth and innovation); protecting the environment (in particular, ensuring sustainable management of natural resources and enabling responsible development); and building safe, caring and connected communities (in particular, building regions).

The Commission recognises the significant contributions made by the agriculture and onshore gas industries to the food, fibre and energy needs of Queensland. The state and its economy depend on the coexistence of these two industries alongside their supporting local communities.

Portfolios and Strategic Objectives

The strategic objectives of the Commission, as outlined in the *GasFields Commission Queensland Strategic Plan 2014 – 2018*, are linked to individual portfolios.

- **Community and Business**
 - To improve the long term sustainability of regional communities.
- **Science and Research**
 - To establish working relationships with relevant research agencies to identify and share knowledge.
- **Local Government and Infrastructure**
 - To assist local governments to better plan and manage potential impacts to services and infrastructure.
- **Water and Salt Management**
 - To ensure the quantity and quality of groundwater is not compromised and promote the beneficial use of produced water and salt as a resource.
- **Land Access**
 - To level the playing field in land access and compensation negotiations.
- **Gas Industry Development**
 - To promote greater transparency about the onshore gas industry's activities.

Operating Environment

The Commission's operating environment is summarised by the strategic objectives outlined above, which have been identified as the six key portfolio areas for managing and improving coexistence among rural landholders, regional communities and the onshore gas industry in Queensland.

The Commission's deliverables and outcomes within each of these key areas are detailed within the individual portfolio pages contained in this report.

The Commission's key strategic risks and opportunities during 2014-15, as outlined in the *GasFields Commission Queensland Strategic Plan 2014 – 2018*, include:

Risks

Inability to address / resolve incompatible stakeholder group expectations

Inability to maintain pace with industry development programs and related coexistence issues

Commission's appropriate allocation of resources to effectively manage growing onshore gas development and associated land access issues

Maintaining community confidence in the Commission's independence given competing demands of stakeholders

Inability to promote collaboration around scientific research to facilitate greater understanding of onshore gas impact on the environment

Opportunities

Proactively manage coexistence issues in emerging onshore gas areas

Support the development of strategies for long term infrastructure legacy: roads, communications

Make greater use of government and industry partnerships to source and communicate accurate information to build community confidence

Develop greater integration between onshore gas proponents in relation to co-existence issues

Be an active player in Regional Planning considerations

The Commission's Audit & Risk Management Committee effectively manage all identified risks with appropriate mitigation strategies applied to manage potential vulnerabilities. The Commission's Risk Register is reviewed quarterly.

Chairman's Report

This report provides an overview of the activities and achievements of the GasFields Commission Queensland during its second financial year as an independent statutory body.

With the expansion of the onshore gas industry's footprint across regional Queensland, some 2,200 landholders now have Conduct and Compensation Agreements in place with one or more onshore gas operators. While this business to business relationship still faces challenges and opportunities, landholders coexisting with the onshore gas industry have, collectively, been compensated in excess of \$200m in the five years to 2015 - money that has been re-invested in rural businesses and regional economies across Queensland.

The most significant change for the CSG-LNG industry in the Surat Basin has been the transition of the major gas projects from the intensive construction phase to the longer term production phase. In the face of this change, accompanied by low global oil prices, many local businesses and communities were struggling to adjust to the new level of products and services now required by the industry. Stakeholder engagements highlighted the need for gas operators to better communicate what the transition might mean for local businesses and communities. In response, the Commission ensured local businesses had direct access to onshore gas company CEOs at our two Local Business Forums to obtain the information they needed to make more informed business decisions.

The Commission has also found that it is not easy to access factual information about the science of the onshore gas industry, groundwater management issues and other coexistence issues that impact on rural landholders and regional communities. In 2014-15, the Commission committed to publishing independent evidence-based documents to address some of the communication gaps.

Early engagement with exploration companies, local governments and the community in emerging areas remains a priority for the Commission as it continues to manage and improve sustainable coexistence among rural landholders, regional communities and the onshore gas industry in Queensland. With more areas of Queensland open for onshore gas exploration, the Commission is working with all stakeholders to ensure employees live locally thereby keeping jobs in regional Queensland and promoting sustainable communities.

The Commission has achieved excellent results in its compliance, financial management and governance procedures, receiving an unqualified audit report from the Queensland Audit Office. With limited resources, it has fulfilled the same statutory obligations as much larger statutory bodies and government departments.

I would like to thank the Commissioners and staff for their commitment and contribution to the work of the Commission in 2014-15.



John Cotter

Commissioner and Chairman

Engagement Activities

Strategic Objective

- To effectively communicate and engage with rural landholders, regional communities and the onshore gas industry in Queensland to improve sustainable coexistence.

Measures of Success

- Key community concerns, issues and the potential effects of policy decisions are identified and addressed while promoting opportunities in regional areas.
- Landholders and communities benefit from the experience and learnings of those further developed coexistence areas in other parts of the State.

Achievements

- The Community Leaders Council Meeting in Toowoomba in November 2014 identified the need for improved sharing of information about the future profile of the onshore gas industry. In response to those needs, local content forums were held in Chinchilla in December 2014 and in Roma in February 2015.
- The Commission also established a trade booth at the Surat Basin Energy and Mining Expo in June 2015 which enabled local suppliers to engage directly with procurement teams of onshore gas companies and Tier 1 contractors.
- Throughout the year, the Commission continued its program of engagement with onshore gas companies, regulatory agencies and local government through regular updates.
- The Commission attended and actively engaged in more than 65 stakeholder meetings at a local and regional level (such as AgForce field days and regional economic development group meetings across Roma, Chinchilla, Miles, Tara, Brisbane and Toowoomba).
- The Commission also participated in relevant interstate forums discussing coexistence and the Commission's achievements in Queensland.
- The Commission has undertaken follow up work to address key topics identified through engagement, including local content, weed management, rehabilitation of the export pipelines, and groundwater management.

Community & Business Portfolio

Strategic Objective and priorities

- To improve the long term sustainability of regional communities through:
 - working partnerships with regional communities, business groups, government and industry; and
 - ongoing engagement with representatives of State Government, economic development bodies and industry.

Measures of Success

- Business within regional communities winning work with the onshore gas industry.
- Investment in building sustainable communities by the onshore gas industry, governments and others.

Achievements

- At the Community Leaders' Council meeting in Toowoomba in 13 November 2014, onshore gas companies shared projections of the future industry profile with representatives of State Government, local government, landholders and the community.
- Local content forums in Chinchilla and Roma in December 2014 and February 2015 provided the opportunity for local businesses to identify employment opportunities.
- The Commission's trade booth at the Surat Basin Energy and Mining Expo in Toowoomba in June 2015 enabled more than 170 local suppliers to engage directly with gas company procurement teams and Tier 1 contractors.
- The series of Sustainable Futures Forums concluded with a forum in September 2014. Through these forums, the onshore gas industry, local government and State Government developed a more collaborative and coordinated approach to infrastructure development in the Surat Basin.
- The Commission supported local businesses and communities in their interactions with onshore gas companies through the guides: *Local Content Checklist for Business*; and *Personal Resilience in Regional Communities*.
- Throughout the year, the Commission continued to engage with Chambers of Commerce and economic development agencies to disseminate information on key issues in their regions.

Science & Research Portfolio

Strategic Objective and priorities

- To establish working relationships with relevant research agencies to identify and share knowledge by:
 - assisting the direction of future scientific research
 - ensuring the relevant scientific research and studies are communicated; and
 - working with Queensland's Chief Scientist to ensure research activities are targeted towards identified coexistence issues.

Measures of Success

- Publication of research on coexistence issues.
- Effective networks built with science and research agencies.

Achievements

- The Commission has continued to engage with Queensland and Commonwealth research bodies, including: the Office of the Queensland Chief Scientist; the Independent Expert Scientific Committee on Coal Seam Gas and Coal Mining; CSIRO; GISERA; and the Office of Water Science.
- Commissioner Professor Steven Raine and Commissioner Ian Hayllor participated in the Condamine Stakeholder Reference Group for the Condamine Connectivity Research Project, conducted by the Office of Groundwater Impact Assessment (OGIA). This group provides advice on sharing research results on interconnectivity between aquifers and targeted coal seams with local farmers and community leaders.
- Commission publications to assist the broader community's understanding of the onshore gas industry include the technical papers, 'Groundwater Aquifer Connectivity in Queensland' and 'CSG Water Treatment and Beneficial Use in Queensland'.
- Forums attended about the science, the research and regulation, include:
 - 'Deep Gas Information Seminar' (February 2015), hosted by the Department of Natural Resources and Mines, with presentations from the regulatory agencies, CSIRO and industry.
 - 'Onshore Gas, Lessons Learned from the US' (April 2015), conducted by the Centre for Coal Seam Gas, University of Queensland
 - 'CSG Research Forum on Methane Seeps' (April 2015), an update by GISERA on its research in the Condamine Basin.

Local Government & Infrastructure Portfolio

Strategic Objective and priorities

- To assist local governments to better plan and manage potential impacts to services and infrastructure by:
 - being an advocate for local governments; and
 - assisting local governments in emerging onshore gas areas.

Measures of Success

- Onshore gas industry infrastructure investments in local government areas.
- Local government feedback.

Achievements

- The Commission has continued to support councils in emerging areas of new onshore gas industry development. In October 2014, the Commission attended the annual Local Government Association of Queensland Conference in Mackay and met separately with councils from emerging areas to establish working links for future engagement and support.
- The Commission's guide, 'Local Government Checklist', provides support for councils facing new industry development. It proposes topics for local governments to consider in early engagement with onshore gas industry operators.
- The Community Leaders' Council meeting in Toowoomba in November 2014 in Toowoomba enabled councils to exchange information and ideas with onshore gas companies, landholders, state government agencies, and community representatives.
- Two local content forums in Chinchilla and Roma in November 2014 and February 2015 provided the opportunity for local governments to learn more about the ways that the new production phase of the onshore gas industry might impact on their local areas.
- The Commission continues to engage with individual councils on specific issues affecting their areas. On 5 May 2015, the Commission met with Toowoomba Regional Council to discuss the CSG industry in general and topics of relevance to the area.

Water & Salt Management Portfolio

Strategic Objective and priorities

- To ensure the quantity and quality of groundwater are not compromised and promote the beneficial use of produced water and salt as a resource by:
 - ensuring that the regulatory framework addresses issues that have the potential to impact coexistence
 - promoting beneficial use and the efficient and effective use of CSG associated water; and
 - protecting the rights of underground water users with ongoing monitoring of make good arrangements.

Measures of Success

- Increased landholder and community confidence
- Reduction of water related complaints referred to the CSG Compliance Unit.

Achievements

- Commission publications to improve community understanding of groundwater matters in relation to the onshore gas industry, include two technical papers: 'Groundwater Aquifer Connectivity in Queensland'; and 'CSG Water Treatment and Beneficial Use in Queensland'.
- Through a range of forums and working groups, including representation on the Office of Groundwater Impact Assessment (OGIA) agency reference group, Commissioners can provide input to topics such as groundwater research, aquifer connectivity and the communication of the science.
- The Commission continues to work with regulatory agencies on legislative reform and improvement of operational arrangements. This work has included: convening a focus group of landholders in Dalby for consultation on the Water Reform and Other Legislation Amendment Bill 2014; and working with the Department of Natural Resources and Mines and the Department of Environment and Heritage Protection on outstanding issues relating to make good agreements for water bore owners.
- The Commission continues to support AgForce sessions on groundwater, such as the water field day in Chinchilla in June 2015.

Land Access Portfolio

Strategic Objective and priorities

- To level the playing field in land access and compensation negotiations by:
 - sharing information on best practice in land access conduct and compensation
 - being an advocate for landholders; and
 - monitoring the rehabilitation of pipeline easements and other impacted landscapes.

Measures of Success

- Reduction in landholder complaints
- Landholder feedback

Achievements

- In 2014-15, the Commission actioned 91 inquiries from landholders on a range of topics including land access, impacts on physical and social/cultural environments, bores and water.
- Commission publications to support landholders in their interactions with the onshore gas industry included: 'Don Stiller's Land Access Negotiation Ready Reckoner'; the 'Land Access Checklist for Landholders'; and the 'On-farm Weed Baseline Assessment Guide'.
- Landholder interviews conducted by the Commission in 2014-15 provide the basis for case studies which share lessons learned in negotiating land access agreements and make good agreements with onshore gas companies.
- A stocktake of the rehabilitation of the three export pipeline easements from the Surat Basin to Gladstone commenced in May 2015 with a pilot study. The Commission visited properties around Biloela and within the Callide Infrastructure Corridor to seek landholders' feedback on rehabilitation matters, including subsidence management.
- The Commission continues to engage with regulatory agencies on matters relating to land access, including: liaison with Coal Seam Gas Compliance Unit in the Department of Natural Resources and Mines (DNRM) on individual landholder matters; and engagement with DNRM on broader legislative matters, including providing comments on guidance materials on the land access framework and opt-out agreements.
- The Commission continues to support AgForce sessions for landholders, including the CSG negotiations workshops.

Gas Industry Development Portfolio

Strategic Objective and priorities

- To promote greater transparency about the onshore gas industry's activities by:
 - collating and publishing relevant data from industry; and
 - improving the two-way flow of information between industry and the community.

Measures of Success

- Extensive data packages made available and regularly updated
- Effective relationships built with onshore gas proponents

Achievements

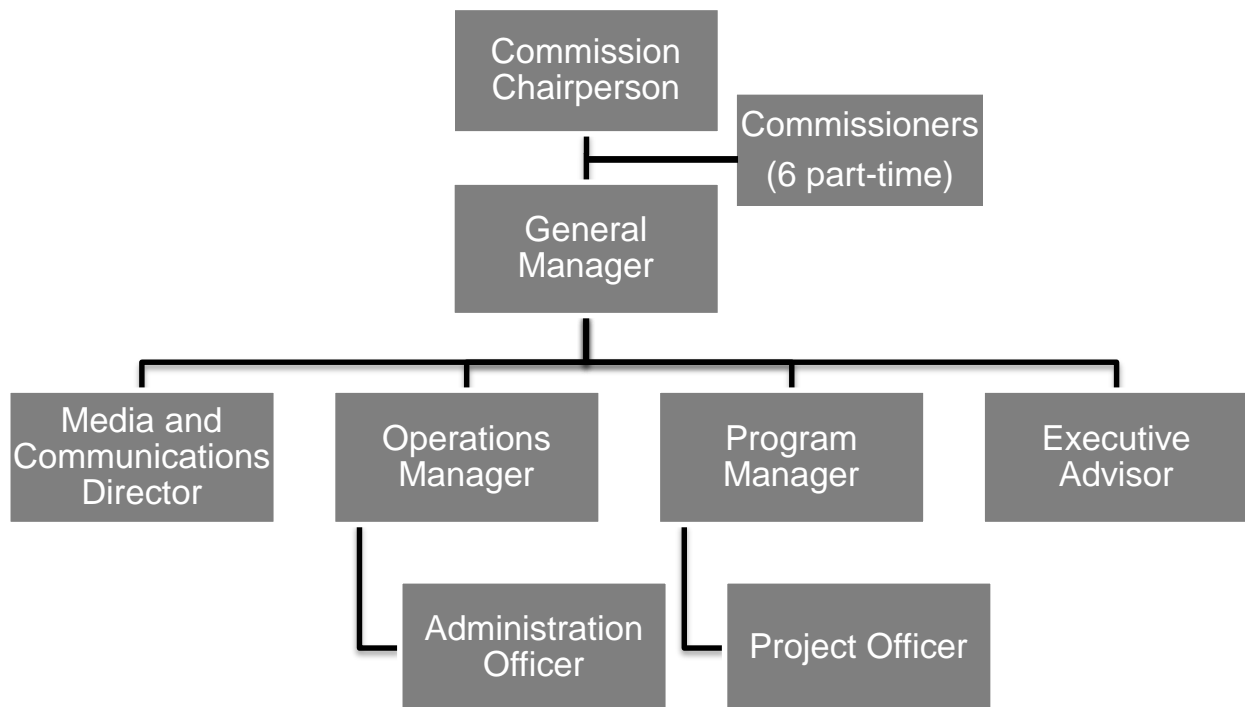
- The Commission has worked with onshore gas companies to provide information to regional Queensland on the implications of the industry's transition from construction to production, including local employment opportunities and the projected number of wells to be drilled in the coming years.
- The Commission liaises with the key regulatory agencies (Department of Natural Resources and Mines and the Department of Environment and Heritage Protection) on a regular basis and seeks updates on industry compliance on a range of matters, including land access and make good agreements relating to water bores.
- In response to community requests for greater information and transparency about current and future CSG activity, the Commission has continued to showcase for landholders and businesses the practical uses of the *CSG Globe*. This online interactive tool developed by the Commission, in conjunction with the Department of Natural Resources and Mines, provides spatial data, including the locations of CSG and petroleum wells, current exploration permits, petroleum and pipeline leases and water monitoring bores.
- The Commission's work in sharing information about the industry has included publication of the topic sheet, 'Onshore Gas Well Flaring'.

Corporate Governance

The Commission places great emphasis on corporate governance. Under the guidance of Commissioners, management has implemented an administrative framework which ensures that the Commission is managed in an effective and efficient manner.

A range of policies and procedures have been developed to ensure that the Commission's objectives are met whilst adhering to strict professional and ethical standards. Particular attention is paid to possible conflicts of interest. This includes Commissioners and staff absenting themselves from all decisions where conflicts of interest, real or perceived, may arise. These policies are regularly reviewed as part of a rolling system of appraisals.

Organisational Structure



The Board

The members of the Commission, collectively referred to as the Board, are responsible for the overall corporate governance of the Commission. The Board is responsible for setting the Commission's strategic direction, establishing strategic objectives for management and monitoring the achievement of these objectives.

Under the Act, the Commission comprises a full-time Commissioner who is the Chair and up to 6 part-time Commissioners. All Commissioners are appointed by the Governor in Council.

In deciding whom to recommend to the Governor in Council for appointment to the Commission, the Minister must be satisfied that they meet qualification requirements and that specific interest groups are represented.

Section 10 of the Act provides for persons nominated for appointment to have experience or qualifications in any of the following:

- the onshore gas industry
- a branch of science relating to the exploration or production of petroleum, or the impact of those activities on the environment
- legal practice relevant to the exploration or production of petroleum
- negotiations between landholders and the onshore gas industry
- land management
- land valuation
- community development
- the financial and business sector

Commissioners nominated must include:

- a commissioner who represents the interests of landholders and
- a commissioner who represents the interests of communities in which the onshore gas industry operates and
- a commissioner who represents the onshore gas industry

Commissioners are appointed for a term of no longer than three years, stated in their instrument of appointment. They may be re-appointed.

Board Profiles

John Cotter, GasFields Commission Queensland Chairman

As Chairman, Mr Cotter is responsible for the Commission's direction and outcomes. Mr Cotter works with his fellow Commissioners to manage and improve sustainable coexistence among rural landholders, regional communities and the onshore gas industry in Queensland. Mr Cotter is a beef producer and industry leader with more than 30 years of experience in rural advocacy. He is a former AgForce President and has successfully negotiated the rights of rural property owners in challenging times. Mr Cotter has a track record of bringing gas company senior executives, landholders, government and advocacy groups to the same table and leading open and frank discussions on co-existence.

Shane Charles, Commissioner – Community and Business

As Commissioner for Community and Business, Shane Charles works to ensure the long term sustainability of regional communities and maximise opportunities for local businesses. Mr Charles is a qualified lawyer and business manager and currently leads the regional development group, Toowoomba and Surat Basin Enterprise.

Steven Raine, Commissioner – Science and Research

As Commissioner for Science and Research, Professor Steven Raine identifies and shares knowledge and helps direct future scientific research into groundwater, salt and land management. Professor Raine is a leading academic and soil scientist. He is the Executive Director of the Institute for Agriculture and the Environment at the University of Southern Queensland in Toowoomba.

Ray Brown, Commissioner – Local Government and Infrastructure

As Commissioner for Local Government and Infrastructure, Ray Brown assists local governments to better understand and manage potential impacts on community services and plan infrastructure development. Mr Brown has been an agricultural producer for 35 years and is mayor of Western Downs Regional Council in the heart of the Surat Basin.

Ian Hayllor, Commissioner – Water and Salt Management

As Commissioner for Water and Salt Management, Ian Hayllor works to ensure access to, and quality of, groundwater are not compromised, and produced water is utilised for the benefit of regional communities. Mr Hayllor is a Dalby farmer and irrigator and has grown cotton and grain crops on the Darling Downs since the 1980s. He has built a reputation as a leader in engaging with the onshore gas industry.

Don Stiller, Commissioner – Land Access

As Commissioner for Land Access, Don Stiller focuses on levelling the playing field for land access and compensation negotiations to ensure professional conduct is carried out on private property. Mr Stiller is a beef producer and feedlot owner and has served in local government for a total of 23 years, including 11 years as Taroom Shire Council Mayor. Mr Stiller has extensive experience negotiating with resource companies on his properties.

Rick Wilkinson, Commissioner – Gas Industry Development

As Commissioner for Gas Industry Development, Rick Wilkinson seeks to ensure transparency and comprehensive standards and codes across the onshore gas industry in Queensland. Mr Wilkinson has worked in the petroleum industry for more than 25 years and is the Chief Technical Officer for the Australian Petroleum Production and Exploration Association (APPEA).

Attendances at Board Meetings

During financial year 2014-15, the Board met on 9 occasions with attendance by Commissioners as follows:

Commissioner	Position	Meetings attended
John Cotter	Chairman	9
Shane Charles	Commissioner	8
Don Stiller	Commissioner	8
Steven Raine	Commissioner	8
Ray Brown	Commissioner	9
Ian Hayllor	Commissioner	8
Rick Wilkinson	Commissioner	6

Audit and Risk Management Committee

The Commission has established, in accordance with *the Financial and Performance Management Standard (2009)*, an Audit and Risk Management Committee (the Committee). This Committee comprises four Commissioners, with the General Manager and Operations Manager attending meetings as observers. This ensures appropriate separation between the Committee, as the body responsible for oversight and monitoring corporate governance within the Commission, and the managers responsible for the administration of the Commission.

The Committee focuses on developing the frameworks and procedures for effectively managing business risk and provides advice on the control mechanisms to mitigate the identified risks, protect the Commission's people, reputation and assets, and promote efficient and effective work practices.

It has the authority to:

- conduct or authorise investigations into matters within its scope of responsibility
- access information, records and officers of the Commission, as required
- request the attendance of any officer of the Commission at Committee meetings
- obtain external legal or other professional advice, as considered necessary to meet its responsibilities, at the Commission's expense.

The Committee is subject to the terms of reference developed to guide its operation, as outlined in its Charter.

Members and attendance at Audit and Risk Management Committee Meetings

During financial year 2014-15, the Committee met on 4 occasions with attendance by Committee Members as follows:

Commissioner	Position	Meetings attended
Steven Raine	Chairman	4
Shane Charles	Member	4
Ray Brown	Member	2
Ian Hayllor	Member	3

External Reviews

Key stakeholder groups

In addition to being subject to auditing requirements under the *Financial Accountability Act 2009* and the *Auditor-General Act 2009*, the Commission sought an external independent review in February 2015 of its progress in achieving its purpose to manage and improve sustainable coexistence among rural landholders, regional communities and the onshore gas industry in Queensland.

This review sought to consult with the Commission's key stakeholder groups to examine their interactions with the Commission. These stakeholders included senior representatives of coal seam gas companies, local government, landholders and representative community groups, all of whom had direct dealings with the Commission.

The review confirmed that the Commission has played a successful and pivotal role in the development of coexistence among rural landholders since its inception. The review further noted the Commission's success to date in engaging industry and communities to resolve issues arising. The key strengths identified in the review were:

- the Commission's ability to influence and provide a mediation and facilitation function between industry and regional communities viewed by stakeholders as key in managing and improving coexistence and developing mutually beneficial relationships;
- the leadership style of the Commission's Chairman and his ability to engage effectively and empathically with all stakeholders, regardless of background or agenda;
- the diversity of Commissioner expertise in their respective individual fields, which together bring significant strength when dealing with a broad range of subject matters covering the key issues;
- the Commission's engagement strategy aimed at bringing together all key stakeholders through community forums and other events; and
- the preparation of a suite of technical papers written in plain English aimed at improving awareness and understanding of scientific facts and research.

The Commission has reviewed areas for improvement noted in the report and has sought to address these through its review of the Commission's strategic plan and in developing its Portfolio Plan for 2015-16.

Review of statutory appointments

The Commission contributed to the Public Service Commission's review of statutory appointments, which was announced by the Premier in March 2015. The focus of this review is to determine whether statutory appointments continue to be warranted and to assess if they have contemporary accountability and performance measures.

The Commission has prepared comprehensive information for this review and the Chairperson met with the review Project Chief Executive to outline in more detail the corporate governance framework established by the Commission to deliver on its strategic objectives, whilst ensuring accountability for its performance.

Corporate governance and policy review

The Commission undertook an annual review of its corporate governance framework, including its suite of policies in the first half of 2015 to ensure that they remain current and fit for purpose for the Commission's requirements.

Maintaining effective recordkeeping and information systems

The Commission recognises its obligations regarding the use and storage of, and access to, commercially sensitive information, particularly with respect to its powers to obtain information to support and manage co-existence. Accordingly, emphasis is placed on managing and protecting information, as well as maintaining confidentiality where appropriate.

In 2014–15, the Commission invested in a new information systems environment aimed at providing the Commission with greater independence, capacity and flexibility, particularly with respect to operating and accessing information in regional areas. The Commission continues to monitor and assess its information and records management environment in accordance with its continuous improvement focus.

There have been no breaches of information security noted during the financial year.

Ethical Procedures, Values and Practices

The Commission is committed to maintaining the highest ethical standards in fulfilling its responsibilities and performing its functions. The Commission's policies, procedures and practices align with the ethical principles established in the *Public Sector Ethics Act 1994* (integrity and impartiality, promoting the public good, commitment to the system of government and accountability and transparency).

The Commission has adopted the Code of Conduct for the Queensland Public Service as it applies to the General Manager (appointed under the Act) and other officers of the Commission (appointed under the *Public Service Act 2008*). Commissioners' contracts include the requirement to abide by the Code of Conduct and to disclose any potential or actual conflicts of interest. In addition, the Australian Institute of Company Directors Code of Conduct has been adopted for Commissioners.

In general, the Commission has adopted the whole-of-Government policies, procedures, directives and standards and relevant policies developed by the Department of State

Development (DSD). Where necessary, it has developed its own specific policies and procedures, in particular, those relating to Declaration of Interests.

Disclosure of interests by Commissioners is covered under Section 18 and 19 of the *Gasfields Commission Act 2013*. During the 2014-15 financial year the Commission had no disclosures under the *Public Interest Disclosure Act 2010*.

Our People

Staff Profile

The Commission employed seven staff members (excluding Commissioners) as at 30 June 2015, equivalent to 6.9 Full-time equivalents (FTE). These include one General Manager (1 FTE) and six Commission staff (5.9 FTE). The General Manager is appointed on an individual employment agreement, as required in the *Gasfields Commission Act 2013*. Other staff members are employed under the *Public Service Act 2008*.

Workforce Gender Composition

Women comprise 71.4 per cent of our permanent workforce and 50 per cent of all full-time positions at and above AO8 or equivalent classifications. Gender profiling is detailed in the table below.

Position	Gender	
	Male	Female
Management	2	2
AO3-AO7	0	3

Management Profiles

Ben Deverson, General Manager

Ben Deverson has extensive experience in general management, operations, governance, stakeholder relations, human resources management, and strategic and operational business planning. Ben is a graduate of the Royal Military College of Australia and spent seven years as an Australian Army Officer before discharging at the rank of Captain. Ben previously held the roles of Chief Operating Officer in Queensland for international accounting firm, BDO, followed by his appointment as General Manager Corporate Services for the RiverCity Motorway Group.

Amanda Thomas, Operations Manager

Amanda Thomas has a Bachelor of Science (Environmental Studies) from Griffith University and began her career in cotton before moving to animal health in a Territory Sales Manager role, based in Rockhampton for 12 years. Amanda previously held the roles of Economic Development Manager with Rockhampton Regional Development and Regional Manager for the Australian Red Cross.

Brendan Egan, Media and Communications Director

Brendan Egan is a graduate in agricultural science from the University of Queensland and has worked in a variety of communications and advisory roles supporting rural and regional Australia for more than 25 years. This included working for a national beef lobby group, as a rural reporter for ABC Radio, and as an advisor to regionally-based federal politicians. Brendan also has a Masters of International Business and has held various trade and investment roles supporting Australian food and agricultural exporters here and abroad.

Jackie Malone, Program Manager

Jackie Malone has extensive experience with the Queensland Government, including experience in government legislation and policy, contract management and strategic and business planning. Jackie also has experience in state-wide consultation and engagement on services provided to rural, regional and remote communities.

Equal Employment Opportunities

The Commission supports the principles underlying equal employment opportunities and actively ensures that its work environment adheres to these principles, the principles of anti-discrimination, and the avoidance of sexual harassment and bullying.

Workforce Planning

The Commission's staffing levels are based on the annual operational plan and budget. Candidates for permanent employment undergo merit-based selection and are sourced through online and print advertising, as well as through recruitment agencies, referrals and direct applications. The Commission also engages contractors for specialist advice and project work.

Employee Performance Management Framework

All new staff members undergo a corporate induction program that includes orientation to the Commission's role and functions, policies and procedures, and IT and records management systems. Each year, staff members are formally reviewed through a performance evaluation process that includes the development of annual performance and learning plans (which include professional development opportunities) and key performance indicators. The results of performance reviews are considered in the annual salary review process, and they inform decisions regarding staff suitability for salary increments, where applicable.

Flexible Work Arrangements

To the extent practicable, the Commission supports part-time work and flexible working hours. Furthermore, the Commission supports a healthy life/work balance and, to that end, encourages staff to take recreation leave on a regular basis.

Industrial and Employee Relations Framework

An employee consultation model is in place for the review and implementation of the Commission's policies and procedures. In addition, staff members receive training on changes to policy when new and/or revised policies are adopted. The General Manager manages any workplace complaints, investigations and WorkCover claims that may arise. Investigations may be outsourced where specialist knowledge or skills are required, or where there may be a perceived conflict of interest.

No workplace complaints, investigations or WorkCover claims were instituted in 2014-15.

Early Retirement, Redundancy and Retrenchment

No early retirement, redundancy or retrenchment packages were paid during this period.

Financial Summary

Detailed financial statements are included in a later section of this report. The Commission is totally reliant on annual grant funding from the Queensland State Government, with modest additional revenues generated from interest on cash balances.

Expenditure totalled \$2.295 million, with the major items of expenditure being employee expenses (\$1.649 million) and supplies and services, including travel, engagement activities, contractor services and corporate service level agreements (\$0.615 million).

The Commission received an unqualified audit report from the Auditor General confirming the Commission's financial statements were a true and accurate reflection of the Commission's transactions for the financial year 2014-15.

Comparison of Budget and Actual Results

In 2014–15, the Commission's revenue exceeded expenses, resulting in an operating surplus of \$0.249 million. The table below compares budget and actual results. The Commission has maintained a cautious approach to expenditure, however shifting demands have redirected the Commission's financial resources to achieve strategic objectives.

The Commission, like its stakeholders, has undergone a transition with strategies and focus areas shifting and expenditure demands with them. This may result in unexpected budget variances. The Commission closely monitors internal resources and capacity to manage project delivery and other issues internally or through outsourcing. The Commission remains confident that it has the financial capacity to deliver on its strategic objectives and manage specific coexistence issues as they arise.

	2014-15 Actual \$ '000	2014-15 Budget \$ '000	Variance \$ '000
State Government Grant	2,500	2,500	-
Other Revenue	44	-	44
Total Revenue	2,544	2,500	44
Employee Expenses (including seven Commissioners)	1,649	1,755	106
Supplies and Services	615	710	95
Other Expenses	31	34	3
Total Expenditure	2,295	2,499	204
Operating Surplus (Deficit)	249	1	248
State Government Grant/Total Revenue	98.3%		
Employee Expenses/Total Expenditure	71.8%		

Significant Variances

Employee Expenses

Employee expenses were underspent due to lower than budgeted out-of-session activities by Commissioners plus a vacancy being maintained within the Commission's organisational structure.

Supplies and Services

Supplies and services expenditure was under budget by \$0.095 million. The main areas of budget savings include travel-related expenditure, and other efficiencies realised in Service Level Agreements and back office expenditure such as IT and telecommunications charges.



Gasfields Commission Queensland Financial Statements

for the financial year ended 30 June 2015

Gasfields Commission Queensland Financial Statements 2014-15

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General Information

These financial statements cover Gasfields Commission Queensland. It has no controlled entities.

The Commission is controlled by the State of Queensland which is the ultimate parent.

The head office and principal place of business of the Commission is:

203 Tor Street

TOOWOOMBA QLD 4350

A description of the nature of the Commission's operations and its principal activities is included in the notes to the financial statements.

For information in relation to the Commission's financial statements email enquiries@gfcq.org.au or visit the Commission's Internet site gasfieldscommissionqld.org.au.

Amounts shown in these financial statements may not add to the correct subtotals or totals due to rounding.

Gasfields Commission Queensland

Statement of Comprehensive Income for the year ended 30 June 2015

	Notes	2015 \$'000	2014 \$'000
Income from Continuing Operations			
Grants and other contributions		2,500	2,500
Interest		44	41
		<hr/>	<hr/>
Total Income from Continuing Operations		2,544	2,541
Expenses from Continuing Operations			
Employee expenses	2	1,649	1,694
Supplies and services	4	615	483
Other expenses		31	20
		<hr/>	<hr/>
Total Expenses from Continuing Operations		2,295	2,197
		<hr/>	<hr/>
Operating Result from Continuing Operations		249	344
		<hr/>	<hr/>
Total Comprehensive Income		249	344
		<hr/>	<hr/>

The accompanying notes form part of these statements.

Gasfields Commission Queensland

Statement of Financial Position as at 30 June 2015

	Notes	2015 \$'000	2014 \$'000
Current Assets			
Cash and cash equivalents		748	485
Receivables		17	8
Other current assets		7	43
Total Current Assets		772	536
Total Assets		772	536
Current Liabilities			
Payables and other liabilities	5	45	79
Accrued employee benefits	6	134	113
Total Current Liabilities		179	192
Total Liabilities		179	192
Net Assets		593	344
Equity			
Accumulated surplus		593	344
Total Equity		593	344

The accompanying notes form part of these statements.

Gasfields Commission Queensland

Statement of Changes in Equity for the year ended 30 June 2015

	Accumulated Surplus \$'000	TOTAL \$'000
Balance as at 1 July 2013	-	-
Operating Result from Continuing Operations	344	344
Balance as at 30 June 2014	344	344
Balance as at 1 July 2014	344	344
Operating Result from Continuing Operations	249	249
Balance as at 30 June 2015	593	593

The accompanying notes form part of these statements.

Gasfields Commission Queensland

Statement of Cash Flows for the year ended 30 June 2015

	2015	2014
	\$'000	\$'000
Cash flows from operating activities		
<i>Inflows:</i>		
Service Appropriation Receipts	2,500	2,500
GST input tax credits from ATO	3	37
Other	44	41
<i>Outflows:</i>		
Employee expenses	(1,628)	(1,581)
Supplies and services	(613)	(452)
GST paid to suppliers	(12)	(45)
Other	(31)	(15)
	<hr/>	<hr/>
Net cash provided by operating activities	263	485
	<hr/>	<hr/>
Net increase in cash held	263	485
	<hr/>	<hr/>
Cash and cash equivalents at beginning of financial year	485	-
	<hr/>	<hr/>
Cash and cash equivalents at end of financial year	748	485
	<hr/>	<hr/>

The accompanying notes form part of these statements.

Gasfields Commission Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2014-15

	Objectives and Principal Activities of the Commission
Note 1:	Summary of Significant Accounting Policies
Note 2:	Employee Expenses
Note 3:	Key Management Personnel and Remuneration Expenses
Note 4:	Supplies and Services
Note 5:	Payables
Note 6:	Accrued Employee Benefits
Note 7:	Commitments for Expenditure
Note 8:	Contingencies
Note 9:	Events occurring after Balance Date

Gasfields Commission Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2014-15

Objectives and Principal Activities of the Commission

The Gasfields Commission Queensland ("the Commission") is an independent statutory body established under the *Gasfields Commission Act 2013*. The Commission's objective is to manage and improve sustainable coexistence among rural landholders, regional communities and the onshore gas industry in Queensland.

The Commission was established on 1 July 2013 to develop and perform the following functions:

- (a) facilitate better relationships between landholders, regional communities and the onshore gas industry;
- (b) reviewing the effectiveness of government entities in implementing regulatory frameworks that relate to the onshore gas industry;
- (c) advising Ministers and government entities about the ability of landholders, regional communities and the onshore gas industry to coexist within an identified area;
- (d) making recommendations to the relevant Minister that regulatory frameworks and legislation relating to the onshore gas industry be reviewed or amended;
- (e) making recommendations to the relevant Minister and onshore gas industry about leading practice or management relating to the onshore gas industry;
- (f) advising the Minister and government entities about matters relating to the onshore gas industry;
- (g) convening landholders, regional communities and the onshore gas industry for the purpose of resolving issues;
- (h) obtaining particular information from government entities and prescribed entities;
- (i) obtaining advice about the onshore gas industry or functions of the Commission from government entities;
- (j) publishing educational materials and other information about the onshore gas industry;
- (k) partnering with other entities for the purpose of conducting research related to the onshore gas industry; and
- (l) convening advisory bodies to assist the commission to perform any function listed above.

1. Summary of Significant Accounting Policies

(a) Statement of Compliance

The financial statements have been prepared in compliance with the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*.

These financial statements are general purpose financial statements and have been prepared on an accrual basis in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations.

With respect to compliance with Australian Accounting Standards and Interpretations, the Commission has applied those requirements applicable to not-for-profit entities, as the Commission is a not-for-profit public sector entity. Except where stated, the historical cost convention is used.

Gasfields Commission Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2014-15

1. Summary of Significant Accounting Policies (cont'd)

(b) The Reporting Entity

The financial statements include the value of all income, expenses, assets, liabilities and equity of the Commission. The Commission does not have any controlled entities.

(c) Grants and Other Contributions

Grants, contributions, donations and gifts which are non-reciprocal in nature are recognised as revenue in the year in which the Commission obtains control over them. Where grants are received that are reciprocal in nature, revenue is recognised over the term of the funding arrangements.

(d) Cash and Cash Equivalents

Cash and Cash Equivalents include all cash and cheques received at 30 June as well as deposits held at call with financial institutions.

(e) Receivables

Trade debtors are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase/contract price. Settlement of these amounts is required within 30 days from invoice date.

The collectability of receivables is assessed periodically. There is no allowance for impairment at 30 June 2015. No bad debts were written off at 30 June.

(f) Payables

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

(g) Employee Benefits

Employer superannuation contributions and long service leave levies are regarded as employee benefits.

Payroll tax and workers' compensation insurance are a consequence of employing employees, but are not counted in an employee's total remuneration package. They are not employee benefits and are recognised separately as employee related expenses.

Wages, Salaries and Sick leave

Wages and salaries due but unpaid at reporting date are recognised in the Statement of Financial Position at the current salary rates.

Prior history to date indicates that on average, sick leave taken in each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised.

As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

Annual Leave

The liability for annual leave is deemed to be current only and represents an accrued expense. Where the settlement of the obligation is expected after 12 or more months, the obligation is discounted to the present value using an appropriate discount rate.

Accrued annual leave represents the amount which the Commission has a present obligation to pay resulting from employees' services provided up to balance date.

Gasfields Commission Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2014-15

1. Summary of Significant Accounting Policies (cont'd)

(g) Employee Benefits (cont'd)

Long Service Leave

Under the Queensland Government's Long Service Leave Scheme, a levy is made on the Commission to cover the cost of employees' long service leave. The levies are expensed in the period in which they are payable. Amounts paid to employees for long service leave are claimed from the scheme quarterly in arrears.

No provision for long service leave is recognised in the Commission's financial statements, the liability being held on a whole-of-Government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Superannuation

Unless specified otherwise by the employee, employer superannuation contributions are paid to QSuper, the superannuation scheme for Queensland Government employees, at rates determined by the Treasurer on the advice of the State Actuary. Contributions are expensed in the period in which they are paid or payable. The Commission's obligation is limited to its contribution to QSuper.

The QSuper scheme has defined benefit and defined contribution categories. The liability for defined benefits is held on a whole-of-government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

(h) Taxation

The Commission is a State body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). FBT and GST are the only taxes accounted for by the Commission. GST credits receivable from, and GST payable to the ATO, are recognised.

(i) Issuance of Financial Statements

The financial statements are authorised for issue by the Chairman and the General Manager of the Gasfields Commission Queensland at the date of signing the Management Certificate.

(j) Other Presentation Matters

Currency and Rounding - Amounts included in the financial statements are in Australian dollars and have been rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero unless disclosure of the full amount is specifically required.

Comparatives - Comparative information has been restated where necessary to be consistent with disclosures and classifications in the current reporting period.

(k) Implementation of the Shared Services Initiative

The Corporate Administration Agency (CAA) provides the Commission with corporate services under the "Shared Services Provider" model. The fees and terms of the services are agreed through a Service Level Agreement, negotiated annually and include:

- Financial services
- Human Resources recruitment and payroll

Gasfields Commission Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2014-15

1. Summary of Significant Accounting Policies (cont'd)

(I) New and Revised Accounting Standards

The Commission did not voluntarily change any of its accounting policies during 2014-15. Australian accounting standard changes applicable for the first time for 2014-15 have had minimal effect on the Commission's financial statements.

The new and revised standards that became effective from reporting periods beginning on or after 1 January 2014 were also reviewed by the Commission and assessed as not being applicable.

The Commission is not permitted to early adopt new or amended accounting standards ahead of the specified commencement date unless approval is obtained from Queensland Treasury. The Commission has not sought approval from Queensland Treasury and therefore applies standards and interpretations in accordance with their respective commencement dates.

Those Australian accounting standards and interpretations with future commencement dates have been reviewed by the Commission and assessed as either being not applicable, or as having no material effect on the Commission's financial statements.

Gasfields Commission Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2014-15

		2015 \$'000	2014 \$'000
2. Employee Expenses			
<i>Employee Benefits</i>			
Wages and salaries		1,279	1,264
Employer superannuation contributions	*	154	151
Annual leave expense	*	104	139
Long service leave levy	*	24	22
<i>Employee Related Expenses</i>			
Workers' compensation premium	*	4	5
Payroll tax	*	71	77
Other employee related expenses	*	13	36
Total		1,649	1,694

* Refer to Note 1(g).

The number of employees as at 30 June 2015, including both full-time employees and part-time employees, measured on a full-time equivalent basis is:

	2015	2014
Number of employees:	9	10

Gasfields Commission Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2014-15

3. Key Management Personnel and Remuneration Expenses

(a) Key Management Personnel

The following details for key executive management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of the Commission during 2014-15. Further information on these positions can be found in the body of the Annual Report under the section relating to Executive Management.

Position	Responsibilities	Current Incumbents	
		Contract classification and appointment authority	Date appointed to position (Date resigned from position)
Chairman	Responsible, in consultation with other Commission members, to develop the strategies, objectives, and policies of the Commission and to ensure the Commission functions in a proper, effective and efficient manner.	Governor in Council appointed/ <i>Gasfields Commission Act 2013</i>	1 July 2013
Commissioners (x6)	Develop the strategies, objectives and policies of the Commission and to ensure the Commission functions in a proper, effective and efficient manner.	Governor in Council appointed/ <i>Gasfields Commission Act 2013</i>	1 July 2013
General Manager	Responsible for ensuring the Commission's function and objectives are fulfilled in accordance with the strategy, policies and programs approved by the Board.	Individual Common Law Contract with classification of General Manager / <i>Gasfields Commission Act 2013</i>	20 January 2014

(b) Remuneration Expenses

The remuneration policy of the Chairman and Commissioners is set by the Governor in Council. The remuneration of the General Manager is set by members of the Commission.

Remuneration expenses for key management personnel comprises the following components:

Short term benefits which include:

- **Monetary expenses** - consisting of base salary, allowances and leave entitlements paid and provided for the entire year. For Part-time Commissioners, remuneration for approved out-of-session activity is also included; and
- **Non-monetary benefits** - consisting of provision of a motor vehicle together with fringe benefits tax applicable to the benefit.

Long term employee benefits include amounts expensed in respect of long service leave entitlements earned.

Post-employment benefits include amounts expensed in respect of employer superannuation obligations.

Termination benefits are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payment in lieu of notice on termination, regardless of the reason for termination.

No performance bonuses were paid to any key management personnel.

Gasfields Commission Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2014-15

3. Key Management Personnel and Remuneration Expenses (cont'd)

(b) Remuneration Expenses (cont'd)

1 July 2014 – 30 June 2015

Position (date resigned if applicable)	Short Term Employee Expenses		Long Term Employee Expenses	Post-Employment Expenses	Termination Benefits	Total Expenses
	Monetary Expenses	Non-Monetary Benefits				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Chairman	327	0	7	36	0	370
Commissioner	35	0	0	5	0	40
Commissioner	35	0	0	4	0	39
Commissioner	35	0	0	4	0	39
Commissioner	35	0	0	4	0	39
Commissioner	39	0	0	5	0	44
Commissioner	57	0	0	5	0	62
General Manager	208	0	4	19	0	231
Total Remuneration	771	0	11	83	0	865

1 July 2013 – 30 June 2014

Position (date resigned if applicable)	Short Term Employee Expenses		Long Term Employee Expenses	Post-Employment Expenses	Termination Benefits	Total Expenses
	Monetary Expenses	Non-Monetary Benefits				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Chairman	334	0	5	36	0	374
Commissioner	39	0	0	4	0	43
Commissioner	45	0	0	6	0	51
Commissioner	40	0	0	5	0	45
Commissioner	44	0	0	6	0	50
Commissioner	42	0	0	4	0	47
Commissioner	48	0	0	6	0	54
General Manager	99	0	2	8	0	108
Total Remuneration	691	0	7	75	0	773

Gasfields Commission Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2014-15

	2015	2014
	\$'000	\$'000
4. Supplies and Services		
Corporate service charges	206	205
Contractors	185	51
Travel	97	107
Repairs and maintenance	39	48
Minor plant and equipment	1	-
Motor Vehicle	24	26
Stakeholder Engagement	32	28
Communications	7	3
Advertising and promotion	7	-
Administration costs	17	15
Total	615	483
<p>* Total audit fees paid to the Queensland Audit Office relating to the 2014-15 financial statements are estimated to be \$10,000 (2014: \$11,000). There are no non-audit services included in this amount.</p>		
5. Payables		
Trade and other creditors	20	26
Accruals	25	53
Total	45	79
6. Accrued Employee Benefits		
<i>Current</i>		
Salary and wages payable	8	4
Provision for annual leave	111	83
Superannuation payable	1	1
Accrued leave loading	9	9
Long service leave levy payable	5	16
Total	134	113

Gasfields Commission Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2014-15

	2015	2014
	\$'000	\$'000
7. Commitments for Expenditure		
Commitments under operating leases at reporting date are inclusive of GST and are payable as follows:		
Not later than one year	166	-
Later than one year and not later than five years	352	-
Later than five years	-	-
Total	518	-

Operating lease was entered into as a means of acquiring access to a new Brisbane office accommodation from 1 July 2015.

8. Contingencies

There are no legal or any other contingencies that are known to the Commission at 30 June 2015.

The Commission has not been subject to, and is not aware of any pending legal actions, litigations or any other court matters as of 30 June 2015.

9. Events occurring after Balance Date

The Commission did not have any events that occurred after the Balance Date to be reported in the financial statements.

**Management Certificate
for Gasfields Commission Queensland**

These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), section 43 of the *Financial and Performance Management Standard 2009* and other prescribed requirements. In accordance with section 62 (1)(b) of the Act we certify that in our opinion:

- (a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects;
- (b) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of Gasfields Commission Queensland for the financial year ended 30 June 2015 and of the financial position of the Commission at the end of that year; and
- (c) these assertions are based on an appropriate system of internal controls and risk management processes being effective, in all material respects, with respect to financial reporting throughout the reporting period.



.....
John Cotter
Chairman
GasFields Commission Queensland



.....
Ben Deverson
General Manager
Gasfields Commission Queensland

Date: 20 August 2015

Date: 20 August 2015

INDEPENDENT AUDITOR'S REPORT

To the Board of the GasFields Commission Queensland

Report on the Financial Report

I have audited the accompanying financial report of GasFields Commission Queensland, which comprises the statement of financial position as at 30 June 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and certificates given by the Chairman and the General Manager.

The Board's Responsibility for the Financial Report

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with prescribed accounting requirements identified in the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, including compliance with Australian Accounting Standards – Reduced Disclosure Requirements. The Board's responsibility also includes such internal control as the Board determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial report including any mandatory financial reporting requirements approved by the Treasurer for application in Queensland.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Opinion

In accordance with s.40 of the *Auditor-General Act 2009* –

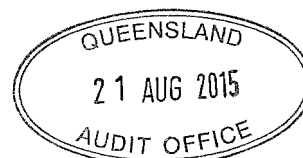
- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion –
 - (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards – Reduced Disclosure Requirements, of the transactions of the GasFields Commission Queensland for the financial year 1 July 2014 to 30 June 2015 and of the financial position as at the end of that year.

Other Matters - Electronic Presentation of the Audited Financial Report

Those viewing an electronic presentation of these financial statements should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.



N GEORGE CPA
(as Delegate of the Auditor-General of Queensland)



Queensland Audit Office
Brisbane

Compliance Checklist

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	<ul style="list-style-type: none"> • A letter of compliance from the statutory body to the relevant Minister 	ARRs – section 8	Inside front cover
Accessibility	<ul style="list-style-type: none"> • Table of contents • Abbreviations 	ARRs – section 10.1	Inside front cover Inside back cover
	<ul style="list-style-type: none"> • Public availability 	ARRs – section 10.2	Inside front cover
	<ul style="list-style-type: none"> • Interpreter service statement 	ARRs – section 10.3	Inside front cover
	<ul style="list-style-type: none"> • Copyright notice 	<i>Copyright Act 1968</i> ARRs – section 10.4	Inside front cover
	<ul style="list-style-type: none"> • Information Licensing 	ARRs – section 10.5	n/a
	General information	<ul style="list-style-type: none"> • Introductory Information 	ARRs – section 11.1
	<ul style="list-style-type: none"> • Agency role and main functions 	ARRs – section 11.2	About GasFields Commission Queensland
	<ul style="list-style-type: none"> • Operating environment 	ARRs – section 11.3	Corporate Governance
	<ul style="list-style-type: none"> • Machinery of government changes 	ARRs – section 11.4	About GasFields Commission Queensland
Non-financial performance	<ul style="list-style-type: none"> • Government's objectives for the community 	ARRs – section 12.1	About GasFields Commission Queensland
	<ul style="list-style-type: none"> • Other whole-of-government plans / specific initiatives 	ARRs – section 12.2	n/a
	<ul style="list-style-type: none"> • Agency objectives and performance indicators 	ARRs – section 12.3	Performance Highlights Portfolios (all)
	<ul style="list-style-type: none"> • Agency service areas and service standards 	ARRs – section 12.4	n/a
Financial performance	<ul style="list-style-type: none"> • Summary of financial performance 	ARRs – section 13.1	Financial Summary
Governance – management and structure	<ul style="list-style-type: none"> • Organisational structure 	ARRs – section 14.1	Corporate Governance
	<ul style="list-style-type: none"> • Executive management 	ARRs – section 14.2	Our People
	<ul style="list-style-type: none"> • Government bodies (statutory bodies and other entities) 	ARRs – section 14.3	n/a

Compliance Checklist

Summary of requirement	Basis for requirement	Annual report reference	
	<ul style="list-style-type: none"> Public Sector Ethics Act 1994 	<i>Public Sector Ethics Act 1994</i> ARRs – section 14.4	Corporate Governance
Governance – risk management and accountability	<ul style="list-style-type: none"> Risk management 	ARRs – section 15.1	Corporate Governance
	<ul style="list-style-type: none"> External scrutiny 	ARRs – section 15.2	Corporate Governance
	<ul style="list-style-type: none"> Audit committee 	ARRs – section 15.3	Corporate Governance
	<ul style="list-style-type: none"> Internal audit 	ARRs – section 15.4	Corporate Governance
	<ul style="list-style-type: none"> Information systems and recordkeeping 	ARRs – section 15.5	Corporate Governance
Governance – human resources	<ul style="list-style-type: none"> Workforce planning and performance 	ARRs – section 16.1	Our People
	<ul style="list-style-type: none"> Early retirement, redundancy and retrenchment 	<i>Directive No.11/12 Early Retirement, Redundancy and Retrenchment</i> ARRs – section 16.2	n/a
Open Data	<ul style="list-style-type: none"> Consultancies 	ARRs – section 17 ARRs – section 34.1	n/a
	<ul style="list-style-type: none"> Overseas travel 	ARRs – section 17 ARRs – section 34.2	n/a
	<ul style="list-style-type: none"> Queensland Language Services Policy 	ARRs – section 17 ARRs – section 34.3	n/a
	<ul style="list-style-type: none"> Government bodies 	ARRs – section 17 ARRs – section 34.4	Published online
Financial statements	<ul style="list-style-type: none"> Certification of financial statements 	FAA – section 62 FPMS – sections 42, 43 and 50 ARRs – section 18.1	Financial Statements
	<ul style="list-style-type: none"> Independent Auditors Report 	FAA – section 62 FPMS – section 50 ARRs – section 18.2	Financial Statements
	<ul style="list-style-type: none"> Remuneration disclosures 	Financial Reporting Requirements for Queensland Government Agencies ARRs – section 18.3	Financial Statements

Abbreviations

APPEA	Australian Petroleum Production and Exploration Association
ARRs	<i>Annual reporting requirements for Queensland Government agencies</i>
CSG	Coal Seam Gas
CSIRO	Commonwealth Scientific Industrial Research Organisation
DNRM	Department of Natural Resources and Mines
FAA	<i>Financial Accountability Act 2009</i>
FPMS	<i>Financial and Performance Management Standard 2009</i>
GISERA	Gas Industry Social and Environmental Research Alliance
LNG	Liquefied Natural Gas
OGIA	Office of Groundwater Impact Assessment
The Act	<i>Gasfields Commission Act 2013</i>
The Commission	GasFields Commission Queensland