

# **QUEENSLAND BUDGET 2019–20**

## **Service Delivery Statements**

Department of Environment  
and Science

[budget.qld.gov.au](http://budget.qld.gov.au)



# 2019–20 Queensland Budget Papers

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2. Budget Strategy and Outlook
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Appropriation Bills

Budget Highlights

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## Service Delivery Statements

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## Department of Environment and Science

### Summary of portfolio

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# Portfolio overview

## Ministerial and portfolio responsibilities

The table below represents the agencies and services which are the responsibility of the Minister for Environment and the Great Barrier Reef, Minister for Science and Minister for the Arts; and the Minister for Employment and Small Business and Minister for Training and Skills Development:

### **Minister for Environment and the Great Barrier Reef, Minister for Science and Minister for the Arts**

**The Honourable Leeanne Enoch MP**

### **Minister for Employment and Small Business and Minister for Training and Skills Development**

**The Honourable Shannon Fentiman MP**

The Minister for Employment and Small Business and Minister for Training and Skills Development is responsible for protected area management on Moreton Island (Mulgumpin) and North Stradbroke Island (Minjerribah).

## **Department of Environment and Science**

**Director-General: Jamie Merrick**

**Service area 1:** Environmental Protection Services

**Service area 2:** Parks, Wildlife and Conservation Services

**Service area 3:** Science

**Service area 4:** Arts Queensland

**Service area 5:** Heritage Protection Services

**Shared service provider:** Corporate Administration Agency

The Minister for Environment and the Great Barrier Reef, Minister for Science and Minister for the Arts is also responsible for:

## Queensland Chief Scientist

**Interim Queensland Chief Scientist: Professor Paul Bertsch**

**Objective:** To provide high-level strategic advice to the State Government on the role of science, research and innovation to meet Queensland's challenges and to foster cooperation and collaboration amongst the government, research, industry and community sectors.

For the purposes of this document, the financial and staffing data for the Office of the Queensland Chief Scientist are reported under the Science service area.

## Library Board of Queensland

**State Librarian and CEO: Vicki McDonald**

**Objective:** To collect and preserve a comprehensive collection of Queensland's cultural and documentary heritage and contribute to the cultural, social and intellectual development of all Queenslanders.

## Queensland Art Gallery

**Director: Chris Saines CNZM**

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

## Queensland Museum

**Chief Executive Officer: Dr Jim Thompson PSM**

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

## Queensland Performing Arts Trust

**Chief Executive: John Kotzas**

**Objective:** To engage all Queenslanders through an inspiring, diverse and relevant performing arts program.

# Corporate Administration Agency

**Executive Director: Peter Mifsud**

**Objective:** To meet the corporate services requirements of Corporate Administration Agency's customers through the provision of services, in accordance with agreed service level agreements, and easy and convenient access to business applications.

Additional information about these agencies can be sourced from:

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

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

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

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

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

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

[www.qpac.com.au](http://www.qpac.com.au)

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

# Departmental overview

The Department of Environment and Science's vision is that our environment, science and the arts enrich Queenslanders' lives now and into the future. The department contributes to the Government's objectives for the community *Our Future State: Advancing Queensland's Priorities*:

- Protect the Great Barrier Reef by reducing Queensland's contribution to climate change through delivery of transition and adaptation programs; improving water quality through the Queensland Reef Water Quality Program; delivering reef joint field management services with the Australian Government
- Create jobs in a strong economy by facilitating sustainable development; identifying opportunities to support growth in eco, nature-based, arts and cultural tourism
- Be a responsive government by engaging, collaborating and partnering with First Nations peoples and key stakeholders; designing and delivering improved customer-focused services
- Keep Queenslanders healthy by promoting active recreation in parks and forests; ensuring clean and healthy air, land and water through effective regulation; supporting science research, technologies and arts engagement that improve health outcomes
- Give all our children a great start by supporting arts programs and developing science, technology, engineering and mathematics (STEM) learning pathways for young children; providing opportunities for children to learn about and experience the natural environment and cultural and heritage values.

The department contributes to the Government's commitments and priorities by leading the efforts to achieve a better Queensland through healthy natural environments, science and innovation, and vibrant cultures and the arts.

The department's objectives are: lead climate change action; protect the Great Barrier Reef; conserve Queensland's protected areas and biodiversity; strengthen our partnerships with First Nations peoples; protect the health of the environment and our communities; promote engagement with the arts and heritage; strengthen and harness Queensland's scientific excellence.

The department's key priorities for 2019-20 are:

- work with industry and local councils to manage the implementation of the Queensland Waste Levy from 1 July 2019, including operation, compliance and programs
- implement strengthened reef regulations, by supporting key agricultural sectors to improve practice standards leading to an enhanced targeted compliance program
- implement Queensland's Climate Change Response including delivery of the *Queensland Climate Transition Strategy* and the *Queensland Climate Adaptation Strategy*
- continue to lead the flagship Land Restoration Fund to support and grow Queensland's carbon farming sector to supply premium carbon offsets and derive economic, social, and other environmental co-benefits
- publish a Protected Area Strategy focused on improved conservation of biodiversity and threatened species and sustainable management of Queensland's protected areas
- develop and implement the Gurra Gurra Integrated First Nations Framework to progress towards co-stewardship of cultural and conservation values of protected areas
- implement and manage additions to the protected area estate on North Stradbroke Island (Minjerribah) as part of the *North Stradbroke Island Economic Transition Strategy*
- grow a Queensland community that values, embraces and engages in science by developing a Queensland Science Strategy and championing citizen science
- continue to build the new performing arts theatre at the Queensland Performing Arts Centre, and deliver infrastructure maintenance and enhancement works across the Queensland Cultural Centre
- develop and release a 10-Year Roadmap for the arts, cultural and creative sector in Queensland.

Environmental factors impacting on the department include: the imperative to secure Queensland's future through planning to mitigate and adapt to climate change, including the impacts on the Great Barrier Reef; digital transformation, including artificial intelligence, mobility, social media and data analytics; knowledge management, creating opportunities to transform our customer experience and the way we do business.

# Service Performance

## Performance Statement

### Environmental Protection Services

#### Service Area Objective

To avoid, minimise or mitigate negative impacts on the environment, through the design, application and monitoring of strategic direction, standards and regulations that guide the operation and control the activities of businesses, individuals, and state and local governments.

#### Services

- Monitoring legislative and regulatory compliance relating to the impact of industrial or commercial activity on the environment
- Identifying, monitoring and taking action in relation to unlawful activity
- Controlling and/or allowing actions that will impact on the State's environment
- Litigation
- Great Barrier Reef water quality improvement programs.

#### Description

The service area:

- delivers the Government's environmental legislation and policy priorities
- provides targeted, consistent and transparent regulation that facilitates ecologically sustainable development in Queensland
- manages and monitors environmental risks proactively through modern and innovative assessment, compliance, investigation and enforcement programs
- leads the development and delivery of whole-of-government climate change transition and adaptation programs
- delivers programs to improve water quality in the Great Barrier Reef.

#### Sources of revenue<sup>1</sup>

Total cost \$'000	State contribution \$'000	User charges & fees \$'000	C'wth revenue \$'000	Other revenue \$'000
228,307	142,338	70,738	388	31,109

Note:

1. Note that corporate partnership costs servicing other agencies have not been assigned to a particular service area within DES as these services are delivered to other Government agencies under the partnership arrangements. The department participates in a partnership arrangement in the delivery of its services, whereby corporate services are hosted by DES to work across multiple departments. Under the corporate partnership arrangements, the department also receives services from the Department of Natural Resources, Mines and Energy and the Department of Agriculture and Fisheries.

#### Staffing<sup>1,2,3,4,5</sup>

2018-19 Budget	2018-19 Estimated Actual	2019-20 Budget
749	777	736

Notes:

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



2. Corporate FTEs are allocated across the service to which they relate.
3. Departmental FTEs total 3,017 in 2018-19 Budget, 3,025 in 2018-19 Estimated Actual and 3,013 in 2019-20 Budget. This includes corporate partnership FTEs servicing other agencies of 27 in 2018-19 Budget, 27 in 2018-19 Estimated Actual and 27 in 2019-20 Budget, which have not been assigned to a particular service area within DES as these services are delivered to other Government agencies under the partnership arrangements. The department participates in a partnership arrangement in the delivery of its services, whereby corporate services are hosted by DES to work across multiple departments. Under the corporate partnership arrangements, the department also receives services from the Department of Natural Resources, Mines and Energy and the Department of Agriculture and Fisheries.
4. Increase in 2018-19 Estimated Actual compared to 2018-19 Adjusted Budget predominantly relates to the commencement or escalation of a number of programs including Queensland Waste Levy Implementation, Queensland Climate Change Strategies and Investigation into Underground Coal Gasification (UCG).
5. Decrease in 2019-20 Budget compared to 2018-19 Estimated Actual primarily relates to the completion or scaling down of programs after outcomes have been met, including Mining Rehabilitation Reform, Advance Queensland Waste Reform and Chapter 3 of the Water Act 2000 Regulation review.

## 2019-20 service area highlights

In 2019-20, the service area will:

- implement Queensland's Climate Change Response including delivery of the *Queensland Climate Transition Strategy* and the *Queensland Climate Adaptation Strategy*
- continue to lead the \$500 million flagship Land Restoration Fund to support and grow Queensland's carbon farming sector to supply premium carbon offsets and derive economic, social, and other environmental co-benefits
- lead the implementation of the waste strategy for Queensland, rollout of industry programs and development of complementary strategies
- provide an additional \$600,000 in 2019-20 (\$1 million over two years ending in 2020-21) to deliver a waste management data strategy for Queensland. The strategy will guide decisions on future waste infrastructure needs and opportunities for investment in resource recovery and recycling
- provide \$30.1 million in 2019-20 (\$85.3 million over four years to 2022-23) for the implementation of the Queensland Waste Levy from 1 July 2019, including levy operation, compliance and approved programs
- implement regulation of waste-related activities and specific waste reforms aligned to the waste strategy for Queensland
- implement strengthened reef regulations, including the delivery of \$5.6 million in 2019-20 (\$10.1 million over three years until 2021-22) to support the transition of graziers and cane and banana growers in reef catchments to improved practice standards. This includes access to professional and agronomic advice, and an enhanced targeted compliance program aimed at ensuring sugarcane growers meet their regulatory obligations for minimum practice standards in the Wet Tropics, Burdekin and Mackay-Whitsunday priority catchments
- continue to lead a comprehensive review of the biodiversity offsets framework, including consultation on an action plan outlining proposed improvements to ensure the offsets framework is effective, efficient and transparent in delivering environmental outcomes
- develop a framework for managing and calculating residual risk under the financial assurance and rehabilitation program; options for the appointment of a mining rehabilitation commissioner; and deliver better regulation of resource activities
- invest \$1 million in 2019-20 (\$3.9 million over four years ending in 2021-22) in the continued delivery of the Queensland Government's flagship eco-efficiency program, ecoBiz, for small to medium enterprises
- continue to prosecute allegations of serious environmental harm, as well as, environmental management activities on land affected by underground coal gasification contamination
- provide \$473,000 in 2019-20 (\$1.4 million over three years ending in 2019-20) to identify sites and provide advice in relation to land impacted by fire-fighting foam contamination
- implement and build on the Queensland Government's financial assurance and rehabilitation reforms for the resources sector, including a program of work to transition all existing environmental authority holders to the new financial provisioning scheme, calculate new estimated rehabilitation costs, and commence the progressive rehabilitation and closures planning framework
- provide increased funding of \$550,000 in 2019-20 (\$1 million over three years ending in 2021-22) to deliver complementary reforms that will enhance the financial assurance and land rehabilitation regulatory framework. These enhancements will support the implementation of the Government's mined land rehabilitation policy
- lead a review of the environmental impact statement (EIS) process under the *Environmental Protection Act 1994* to implement relevant aspects of the Government's mined land rehabilitation policy, and identify opportunities for enhancing the EIS assessment process and its integration with the Act's environmental assessment process

- commence a contaminated land auditor compliance program to ensure contaminated land auditors under the *Environmental Protection Act 1994* are delivering services in line with the Government's objectives and auditors approved by the department are meeting the requirements of their approval
- lead the monitoring program designed to assess key environmental values in the Swanbank Industrial Area.

<b>Environmental Protection Services</b>	<b>2018-19 Target/Est</b>	<b>2018-19 Est Actual</b>	<b>2019-20 Target/Est</b>
<b>Service: Monitoring legislative and regulatory compliance relating to the impact of industrial or commercial activity on the environment</b>			
<b>Service standards</b> <i>Effectiveness measure</i> Percentage of identified unlicensed operators who have become licensed or enforcement action taken within 60 days <sup>1</sup>	70%	70%	70%
<i>Efficiency measure</i> Average cost per environmental public report resolution as a consequence of effective prioritisation of reports <sup>2</sup>	\$2,250	\$2,000	\$2,000
<b>Service: Identifying, monitoring and taking action in relation to unlawful activity</b>			
<b>Service standards</b> <i>Effectiveness measure</i> Proportion of monitored licensed operators returned to compliance with their environmental obligations <sup>3</sup>	70%	70%	70%
<i>Efficiency measure</i> Median cost per formal investigation into serious non-compliance <sup>4</sup>	\$3,500	\$2,000	\$3,500
<b>Service: Controlling and/or allowing actions that will impact on the State's environment</b>			
<b>Service standards</b> <i>Effectiveness measure</i> Percentage of new site-specific Environmental Authorities that have their Environmental Values assessment validated by onsite inspection <sup>5</sup>	70%	70%	70%
<i>Efficiency measure</i> Average cost per permit/licence assessed <sup>6</sup>	\$7,000	\$6,000	\$6,500
<b>Service: Litigation</b>			
<b>Service standards</b> <i>Effectiveness measure</i> Percentage of matters finalised with a conviction or a successful application <sup>7</sup>	85%	85%	85%
<i>Efficiency measure</i> Percentage of briefs of evidence reviewed and decision made on whether charges can be laid, within 12 weeks of receipt <sup>8</sup>	90%	90%	90%
<b>Service: Great Barrier Reef water quality improvement programs<sup>9</sup></b>			
<b>Service standards</b> <i>Effectiveness measures</i> Queensland contributes to progress towards 2025 targets of:			

<b>Environmental Protection Services</b>	<b>2018-19 Target/Est</b>	<b>2018-19 Est Actual</b>	<b>2019-20 Target/Est</b>
<ul style="list-style-type: none"> <li>60 per cent reduction in anthropogenic end-of-catchment dissolved inorganic nitrogen loads</li> </ul>	..	..	≥2%
<ul style="list-style-type: none"> <li>25 per cent reduction in anthropogenic end-of-catchment loads of sediment<sup>10</sup></li> </ul>	..	..	≥1%
Percentage of sugarcane producers, within reef catchments:			
<ul style="list-style-type: none"> <li>participating in the SmartCane Best Management Practice (BMP) program</li> </ul>	50%	51%	50%
<ul style="list-style-type: none"> <li>achieving accreditation in the SmartCane Best Management Practice (BMP) program<sup>11</sup></li> </ul>	15%	11%	15%
<i>Efficiency measure<sup>12</sup></i>			

Notes:

- This service standard measures the effectiveness of the compliance centre teams in addressing unauthorised environmentally relevant activities and enabling corrective action to be taken by operators within what is regarded as an acceptable timeframe, and monitors a reduction in the number of unlicensed operators.
- This service standard measures the efficiency of the department's resolution of public reports relating to environmental issues, from lodgement to finalisation (deciding on actions to be taken). Salaries and on-costs associated with the delivery of this measure are included in the calculation methodology. The 2018-19 Estimated Actual is lower than the 2018-19 Target/Estimate due to efficiencies resulting from the new operation model for the Community Response Team. The 2019-20 Target/Estimate has decreased to \$2,000 from the 2018-19 Target/Estimate of \$2,250.
- This service standard measures the effectiveness of the department's management of instances where non-compliance has been identified and corrective action taken to assist customers to better understand their environmental obligations and to deal with non-compliance through proportionate and consistent enforcement action.
- This service standard measures the efficiency of the investigations team's effort in investigating formal requests, including those referred from the Department of Aboriginal and Torres Strait Islander Partnerships (Cultural Heritage), to the point that a decision has been made to take action. Salaries and on-costs associated with the delivery of this measure are included in the calculation methodology. The 2018-19 Estimated Actual is lower than the 2018-19 Target/Estimate due to the lower costs associated with several investigations.
- This service standard measures the effectiveness of regulatory activities in reducing the overall risk to the environment. New environmental authorities (EA), approved under the *Environmental Protection Act 1994*, will have their environmental values reviewed and validated through a subsequent site visit. This will ensure that the original impact assessment and conditioning of the activity are effective in identifying and controlling all the impact risks (assuming the EA is complied with). There has been a minor change to the wording of the measure to improve readability. The words 'by onsite inspection' have replaced 'when inspected'. The calculation methodology has not changed.
- This service standard measures the efficiency of the business centre assessment teams in making permit/licence application decisions. Salaries and on-costs associated with the delivery of this measure are included in the calculation methodology. The 2018-19 Estimated Actual is lower than the 2018-19 Target/Estimate due to the variety in the type and complexity of applications and decisions made by the business centres. The 2019-20 Target/Estimate has decreased to \$6,500 from the 2018-19 Target/Estimate of \$7,000 due to business improvements.
- This service standard measures the effectiveness of the Litigation Branch in successfully finalising litigation matters in order to support best practice environmental management. There has been a minor change to the wording of the measure to improve readability. The previous measure was 'Percentage of matters finalised with a finding of guilt or a successful application'. The calculation methodology has not changed.
- This service standard measures the efficiency of the Litigation Branch in reviewing all briefs of evidence and making timely decisions on whether charges can be laid against the offender or offenders. This is not a regulatory timeframe as it is set by the service area. The wording of the measure has been amended from 'Percentage of potential prosecutions reviewed and decision made, within 12 weeks of receiving a brief of evidence, on whether charges can be laid' to more accurately describe the measure. The calculation methodology has not changed.
- There has been a minor change to the wording of this service and it was previously named 'Improving Great Barrier Reef water quality' in the 2018-19 *Service Delivery Statements* (SDS).
- This service standard is a whole-of-government measure of Queensland's contribution to the improvement of reef water quality. The Office of the Great Barrier Reef in the department is responsible for reporting the Queensland Government's progress towards meeting the joint Australian and Queensland Governments' water quality targets on behalf of all contributing agencies. Queensland Government agencies contributing to this measure are the Department of Environment and Science, Department of Agriculture and Fisheries and Department of Natural Resources, Mines and Energy. A 2018-19 Target/Estimate was not set due to the model underpinning the measure being rebuilt. Performance for this service standard will be reported annually through the Great Barrier Reef Report Card. Due to a 12-month time lag, the 2018-19 Estimated Actual will be reported in July 2020 and the results for the 2019-20 Target/Estimate will be reported in July 2021.
- This service standard measures the effectiveness of the SmartCane BMP. The SmartCane BMP sets the industry standards for whole-of-farm management across the cane industry to have a positive impact on nutrient and sediment run-off and consequential impacts on Great Barrier Reef water quality. These targets have been developed based on SmartCane BMP funding targets as per the contract for Phase 3.

While the rate of accreditation is slower than anticipated, the number of accredited growers continues to steadily increase. A number of strategies to address the barriers to accreditation have been adopted to help improve the trajectory of uptake.

12. An efficiency measure is being developed for this service and will be included in a future SDS.

## Parks, Wildlife and Conservation Services

### Service Area Objective

To manage and conserve protected areas, marine parks, fish and wildlife habitats, forests and recreation areas to safeguard their ecological and cultural values and facilitate sustainable recreational opportunities, nature-based tourism and ecotourism; protect and preserve the diversity and integrity of Queensland's ecosystems; and ensure the conservation status of native species is maintained or enhanced and their use is adequately controlled.

### Services

- National Parks
- Controlling and/or allowing the use of native species
- Protecting environments, ecosystems, habitats and species.

### Description

The service area:

- conserves natural and cultural values on parks and forests, including through fire, pest and weed management
- facilitates nature-based and ecotourism, recreation and heritage experiences within parks and forests, including building and maintaining visitor and tourism infrastructure, and providing interpretation and activities that enhance visitor experiences and understanding
- delivers joint field management in the Great Barrier Reef in partnership with the Australian Government
- protects Queensland's flora and fauna and high-value ecosystems
- minimises negative interactions between humans and wildlife
- works in partnership with First Nations peoples, government agencies, partners and volunteers to manage and conserve Queensland's parks, forests, ecosystems and species.

### Sources of revenue<sup>1</sup>

Total cost \$'000	State contribution \$'000	User charges & fees \$'000	C'wth revenue \$'000	Other revenue \$'000
318,655	257,675	30,091	20,966	15,728

Note:

1. Note that corporate partnership costs servicing other agencies have not been assigned to a particular service area within DES as these services are delivered to other Government agencies under the partnership arrangements. The department participates in a partnership arrangement in the delivery of its services, whereby corporate services are hosted by DES to work across multiple departments. Under the corporate partnership arrangements, the department also receives services from the Department of Natural Resources, Mines and Energy and the Department of Agriculture and Fisheries.

### Staffing<sup>1,2,3,4</sup>

2018-19 Budget	2018-19 Estimated Actual	2019-20 Budget
1,669	1,659	1,688

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate FTEs are allocated across the service to which they relate.
3. Departmental FTEs total 3,017 in 2018-19 Budget, 3,025 in 2018-19 Estimated Actual and 3,013 in 2019-20 Budget. This includes corporate partnership FTEs servicing other agencies of 27 in 2018-19 Budget, 27 in 2018-19 Estimated Actual and 27 in 2019-20 Budget, which have not been assigned to a particular service area within DES as these services are delivered to other Government agencies under the partnership arrangements. The department participates in a partnership arrangement in the delivery of its services, whereby corporate services are hosted by DES to work across multiple departments. Under the corporate partnership arrangements, the department also receives services from the Department of Natural Resources, Mines and Energy and the Department of Agriculture and Fisheries.

4. Increase in 2019-20 Budget compared to 2018-19 Estimated Actual includes increased program management for the Great Barrier Reef Joint Field Management Program jointly funded with the Australian Government and Cape York Protected Area Joint Management.

## 2019-20 service area highlights

In 2019-20, the service area will:

- work with stakeholders, including the Queensland Koala Advisory Council, to prepare the South East Queensland Koala Conservation Strategy. The strategy will establish targets for koala conservation, map a network of priority areas for conservation efforts and provide for a monitoring program that measures progress against targets
- publish a Protected Area Strategy focused on improved conservation of biodiversity and threatened species and sustainable management of Queensland's protected areas
- provide increased funding of \$10 million in 2019-20 for the National Parks capital works program to upgrade infrastructure, and provide enjoyment and protection of Queensland's parks and forests
- provide increased funding of \$3 million in 2019-20 (\$9 million over three years ending in 2021-22) to match the Australian Government contribution towards yellow crazy ant control activities in, and adjacent to, the Wet Tropics World Heritage Area
- provide \$3.5 million in 2019-20 (\$16 million over four years commencing in 2019-20, and \$2.6 million per annum ongoing) to enhance Queensland Parks and Wildlife Service's fire management capacity and capability to effectively manage wildfire risk for increased community safety and conservation outcomes
- develop and implement the Gurra Gurra Integrated First Nations Framework to improve departmental operations, with a focus on cultural connection and agility, employment, procurement and agreement making, and to progress towards co-stewardship of cultural and conservation values of protected areas
- provide \$12.7 million in 2019-20, increasing to \$19.2 million in 2020-23 to the Great Barrier Reef Joint Field Management Program to protect and maintain marine island ecosystems in the Great Barrier Reef and employ additional rangers and field officers
- provide \$1.1 million in 2019-20 (\$8.7 million over four years commencing in 2019-20 and \$1.2 million per annum ongoing) for the implementation and management of Stage B additions to the protected area estate on North Stradbroke Island (Minjerribah) as part of the Government's commitment to delivering the *North Stradbroke Island Economic Transition Strategy* to move the region forward from a mining economy
- provide increased funding of \$3 million in 2019-20 (\$6 million over two years ending in 2020-21) for crocodile management, including improving the effectiveness of the well-recognised Crocwise public safety education program and finalising the crocodile monitoring program, which will inform the long-term management of crocodiles in Queensland
- provide \$729,000 in 2019-20 for operations at the Moggill Koala Rehabilitation Centre, the Daisy Hill Koala Centre, and RSPCA oversight of the 1300 WILDLIFE HOTLINE
- continue to implement the Queensland Audit Office's recommendations of the *Conserving threatened species* report.

<b>Parks, Wildlife and Conservation Services<sup>1</sup></b>	<b>2018-19 Target/Est</b>	<b>2018-19 Est Actual</b>	<b>2019-20 Target/Est</b>
<b>Service: National Parks</b>			
<b>Service standards</b>			
<i>Effectiveness measures</i>			
Percentage of the scheduled Protection Zone fuel management treatment achieved on Queensland Parks and Wildlife Service (QPWS) managed estate to protect life and property <sup>2</sup>	90%	90%	90%
Area of the QPWS managed estate with fuel loads reduced by planned burning, to reduce fire risk to life and property and protect biodiversity <sup>3</sup>	634,800 ha	634,800 ha	635,269 ha
Number of overnight camper stays hosted on national parks and forests <sup>4</sup>	1.4 million	1.37 million	1.4 million

<b>Parks, Wildlife and Conservation Services<sup>1</sup></b>	<b>2018-19 Target/Est</b>	<b>2018-19 Est Actual</b>	<b>2019-20 Target/Est</b>
Number of hectares of State land and national parks transferred to Traditional Owners in Cape York Peninsula <sup>5,6,7,8</sup>	New measure	New measure	448,890 ha
<i>Efficiency measure<sup>9</sup></i>			
<b>Service: Controlling and/or allowing the use of native species</b>			
<b>Service standards</b>			
<i>Effectiveness measure</i>			
Median time taken to resolve declared problem crocodiles <sup>10</sup>	New measure	New measure	≤7 business days
<i>Efficiency measure<sup>9</sup></i>			
<b>Service: Protecting environments, ecosystems, habitats and species</b>			
<b>Service standards</b>			
<i>Effectiveness measure</i>			
Percentage of Queensland's land area that is protected <sup>11</sup>	8.21%	8.22%	8.25%
<i>Efficiency measure</i>			
Cost per session for the Queensland wetland information system (WetlandInfo) <sup>12</sup>	<\$3	\$1	<\$2

Notes:

- This is a new service area created as a result of changes to the department's organisational structure. The services presented in this service area were included in the 'National Parks' and 'Species and Ecosystem Protection Services' service areas in the 2018-19 *Service Delivery Statements* (SDS).
- This service standard measures the area of hazard reduction planned burning and other fuel management treatments (including mowing, slashing and mulching) implemented, as a percentage of the area of annual fuel management treatment scheduled for Protection Zones on QPWS estate. This measure focuses on protecting key community interests from the threat of wildfire, by reducing fuel hazards in specifically identified critical areas close to residences and other urban areas, and strategically important areas within reserves. It measures the effectiveness of QPWS's fire program in meeting its legislative and social obligations to protect life and property.
- This service standard reflects the 2009 Victorian Bushfires Royal Commission recommendation that a five per cent target for prescribed burning of the state should be established. The 2019-20 Target/Estimate is 635,269 hectares, reflecting five per cent of the QPWS managed estate as at 31 December 2018 (not including the 301,000 hectares of State Plantation Forests under licence to HQPlantations Pty Ltd). As stated in the *2009 Victorian Bushfires Royal Commission Final Report (Summary)*: 'Prescribed burning is one of the main tools for fire management on public land'. The planned burning program is subject to suitable weather conditions to ensure safe and effective burns; therefore, achieving the target is affected by seasonal conditions such as extended drought.
- This service standard measures how effectively the department achieves the service area objective of facilitating sustainable recreational opportunities and nature-based tourism. While camping statistics are influenced by a range of factors including the tourism economy and extreme weather events, departmental programs aimed at supporting sustainable tourism and recreation use and improved visitor experiences are expected to maintain or increase overnight camper stays. The 2018-19 Estimated Actual is predominately due to significant weather conditions occurring midway through the financial year.
- This is a new service standard for the 2019-20 SDS as a result of the transfer of the Cape York Peninsula Tenure Resolution Program from the Department of Aboriginal and Torres Strait Islander Partnerships from 1 July 2019.
- This is a whole-of-government service standard which relates to assessing the number of hectares of State-owned land and national parks that have been transferred to Aboriginal ownership in order to provide Aboriginal peoples and Torres Strait Islander peoples with opportunities for economic development through business opportunities and involvement in land management. The department's role is to administer the Cape York Peninsula Tenure Resolution Program, which has the dual functions of returning land ownership to Cape York Peninsula Aboriginal Traditional Owners and protecting the outstanding natural and cultural values of Cape York Peninsula in jointly managed national parks (Cape York Peninsula Aboriginal land). The achievement of this service standard is dependent on reaching agreement with the Native Title parties concerned.
- The department works in partnership with other government agencies including the Department of Aboriginal and Torres Strait Islander Partnerships and the Department of Natural Resources, Mines and Energy, through service level agreements. To deliver this program, the department has also partnered with Balkanu Cape York Development Corporation and Jabalbina Aboriginal Corporation to provide support and independent legal advice to Aboriginal peoples throughout the land dealing negotiations.
- The number of hectares predicted to be transferred through the Cape York Peninsula Tenure Resolution Program each financial year reflects the size of the particular properties which make up each of the tenure dealings that are planned to be finalised. Should agreement not be reached for any particular dealing, it is carried over into the next financial year.
- An efficiency measure is being developed for this service and will be included in a future SDS.

10. This service standard measures the median time taken to resolve a problem crocodile once it has been declared. 'Problem crocodile' is defined in the Nature Conservation (Estuarine Crocodile) Conservation Plan 2018 and the *Queensland Crocodile Management Plan*. If the department determines that an estuarine crocodile poses an unacceptable risk, the animal is declared a problem crocodile to be targeted for removal. The target is not a statutory timeframe. It takes into account the reasonable time required to resolve problem crocodiles, based on historical cases. Problem crocodiles can be resolved by: removal by wildlife officers; referral to a private contractor or authority holder for removal; lethal take of the crocodile; or the declaration being rescinded (for example, when it is decided that the crocodile has moved on and no longer poses an unacceptable risk in the location at which it was declared).
11. This service standard measures the percentage of Queensland's land that is dedicated as national park, conservation park or resources reserve, or declared as a nature refuge or special wildlife reserve.
12. This service standard measures the number of user sessions for WetlandInfo compared with the total staff and other costs involved in managing the system. Costs include all departmental staff expenses to provide input data plus on-costs charged to maintain the system. This measure provides an indication of the efficiency with which WetlandInfo website information delivery is provided to customers. The positive variance between the 2018-19 Target/Estimate and the 2018-19 Estimated Actual is attributed to increased use of the website, reducing the cost per session. As a result, the 2019-20 Target/Estimate has decreased to <\$2 from the 2018-19 Target/Estimate of <\$3.



## Science

### Service Area Objective

To provide support for science and research partnerships in Queensland, and provide trusted scientific knowledge, information and advice to support the achievement of Government priorities.

### Description

The service area includes the Office of the Queensland Chief Scientist, which has the following portfolio responsibilities:

- leads science strategy across government and provides advice on the role of science and research in achieving government priorities
- analyses and reports on the status of Queensland science
- leads science engagement and communications on a range of issues, including science, technology, engineering and mathematics (STEM) education, and promotes Queensland science
- creates opportunities for Queensland science groups and other organisations to collaborate and engage.

The service area also:

- delivers scientific and technical expertise for environmental, natural resource and sustainable agricultural industries
- manages foundation scientific information, including atmospheric, wave and storm tide, drought, climate, air, land and water data and decision support models
- leads a program to modernise scientific information systems
- showcases the capability of Queensland science to national and international businesses and governments
- prioritises, develops and evaluates science-related policies and plans for future science investment and its impacts
- regulates dealings involving genetically modified organisms in Queensland under the *Gene Technology (Queensland) Act 2016*
- regulates biodiscovery activities conducted on State land or Queensland waters under the *Biodiscovery Act 2004*.

### Sources of revenue<sup>1</sup>

Total cost \$'000	State contribution \$'000	User charges & fees \$'000	C'wth revenue \$'000	Other revenue \$'000
94,436	86,940	1,262	659	5,405

Note:

1. Note that corporate partnership costs servicing other agencies have not been assigned to a particular service area within DES as these services are delivered to other Government agencies under the partnership arrangements. The department participates in a partnership arrangement in the delivery of its services, whereby corporate services are hosted by DES to work across multiple departments. Under the corporate partnership arrangements, the department also receives services from the Department of Natural Resources, Mines and Energy and the Department of Agriculture and Fisheries.

### Staffing<sup>1,2,3</sup>

2018-19 Budget	2018-19 Estimated Actual	2019-20 Budget
406	406	406

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate FTEs are allocated across the service to which they relate.
3. Departmental FTEs total 3,017 in 2018-19 Budget, 3,025 in 2018-19 Estimated Actual and 3,013 in 2019-20 Budget. This includes corporate partnership FTEs servicing other agencies of 27 in 2018-19 Budget, 27 in 2018-19 Estimated Actual and 27 in 2019-20 Budget, which have not been assigned to a particular service area within DES as these services are delivered to other Government agencies under the partnership arrangements. The department participates in a partnership arrangement in the delivery of its services, whereby corporate services are hosted by DES to work across multiple departments. Under the corporate partnership arrangements, the department also receives services from the Department of Natural Resources, Mines and Energy and the Department of Agriculture and Fisheries.

## 2019-20 service area highlights

In 2019-20, the Office of the Queensland Chief Scientist will:

- champion citizen science in Queensland through the *Citizen Science* strategy and grants to enable Queenslanders to participate in science projects
- release more Engaging Science Grants to increase participation in STEM subjects and increase engagement and participation of the community in science-based activities
- deliver workshops and seminars throughout Queensland for scientists and early career researchers under the Partner Up Queensland program
- maximise opportunities for promoting Queensland science by supporting the World Science Festival's Women in STEM prize and National Science Week activities around the state
- visit regional areas across Queensland under the Flying Scientist program (a partnership with Wonder of Science) to highlight Queensland science and inspire young people to study STEM subjects.

In 2019-20, Science will:

- develop a Queensland Science Strategy focused on growing a Queensland community that values, embraces and engages in science
- finalise amendments to Queensland's biodiscovery legislation to ensure benefits are shared and recognised and enhance the State's reputation as a collaborative partner
- roll out the Research Infrastructure Co-investment Fund to leverage Australian Government and industry funds and deliver a more coordinated and strategic approach to investment in research infrastructure
- increase the ability to solve complex environmental problems by investing \$4.8 million in capital funding, over three years ending in 2020-21, to upgrade and extend the department's high-performance computing facility and modernise critical scientific systems, as part of Tranche 2 of the Accelerating Science Delivery Innovation program
- deliver enhanced Statewide Landcover and Trees Study reporting for the 2018-19 period, incorporating new woody extent and clearing mapping.

Science	2018-19 Target/Est	2018-19 Est Actual	2019-20 Target/Est
<b>Service standards</b>			
<i>Effectiveness measures</i>			
Percentage of customers from government agencies satisfied with the natural resource and environmental science services and information provided (overall satisfaction) <sup>1</sup>	≥87%	94%	≥90%
Percentage of laboratory tests completed and made available within agreed timeframes and quality specifications to support <i>Reef 2050 Water Quality Improvement Plan</i> and other government priorities <sup>2</sup>	≥87%	89%	≥89%
<i>Efficiency measure</i> <sup>3</sup>			

Notes:

1. This service standard is an indicator of the success of delivering Science services to meet the key priorities of government customers for environmental and natural resource policy and decision making. The survey has standard questions for overall satisfaction and the five key drivers of satisfaction (timeliness, ease of access, staff, quality, and outcome/outputs) and aligns with the Queensland Government *Performance Management Framework Measuring Customer Experience Reference Guide* published by the Department of the Premier and Cabinet. The survey results reflect continued service delivery and client relationship improvements, including improved governance processes and a new project reporting system. The 2019-20 Target/Estimate has increased to ≥90% from the 2018-19 Target/Estimate of ≥87%.
2. The timeframes involved are negotiated per sample submission and quality is measured by maintenance of accreditation with the National Association of Testing Authorities, Australia and performance in national and international laboratory proficiency trials. To maintain accreditation the departmental Chemistry Laboratory is required to constantly review processes and procedures. This ensures that clients receive best practice service delivery. The 2019-20 Target/Estimate has increased to ≥89% from the 2018-19 Target/Estimate of ≥87%.
3. An efficiency measure is being developed for this service area and will be included in a future *Service Delivery Statement*.

## Arts Queensland

### Service Area Objective

To support Queenslanders' access to arts and culture to enable growth of the arts sector and a community that values the arts.

### Services

- Investment programs
- Facilities management.

### Description

The service area:

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

### Sources of revenue<sup>1</sup>

Total cost \$'000	State contribution \$'000	User charges & fees \$'000	C'wth revenue \$'000	Other revenue \$'000
146,187	124,190	21,868	..	129

Note:

1. Note that corporate partnership costs servicing other agencies have not been assigned to a particular service area within DES as these services are delivered to other Government agencies under the partnership arrangements. The department participates in a partnership arrangement in the delivery of its services, whereby corporate services are hosted by DES to work across multiple departments. Under the corporate partnership arrangements, the department also receives services from the Department of Natural Resources, Mines and Energy and the Department of Agriculture and Fisheries.

### Staffing<sup>1,2,3</sup>

2018-19 Budget	2018-19 Estimated Actual	2019-20 Budget
125	125	125

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate FTEs are allocated across the service to which they relate.
3. Departmental FTEs total 3,017 in 2018-19 Budget, 3,025 in 2018-19 Estimated Actual and 3,013 in 2019-20 Budget. This includes corporate partnership FTEs servicing other agencies of 27 in 2018-19 Budget, 27 in 2018-19 Estimated Actual and 27 in 2019-20 Budget, which have not been assigned to a particular service area within DES as these services are delivered to other Government agencies under the partnership arrangements. The department participates in a partnership arrangement in the delivery of its services, whereby corporate services are hosted by DES to work across multiple departments. Under the corporate partnership arrangements, the department also receives services from the Department of Natural Resources, Mines and Energy and the Department of Agriculture and Fisheries.

### 2019-20 service area highlights

In 2019-20, the service area will:

- invest \$1.5 million (\$7 million over two years ending in 2020-21) towards the renewal of the Central Energy Plant to maintain environmental conditions and meet increased service demand at the Queensland Cultural Centre
- invest \$2.5 million (\$5 million over two years ending in 2020-21) to modernise Queensland Performing Arts Centre's lighting via the installation of energy efficient LED lighting

- invest \$1.6 million (\$2 million over two years ending in 2020-21) to develop an options assessment to establish an Aboriginal and Torres Strait Islander Cultural Centre in Brisbane
- invest \$5.2 million (\$125 million over four years ending in 2021-22) to build the new \$150 million performing arts theatre at the Queensland Performing Arts Centre
- invest a further \$8 million (\$9.4 million over three years ending in 2020-21) to address critical infrastructure upgrade works at the Queensland Museum and the Queensland Cultural Centre, South Bank
- provide \$4 million (\$8 million over two years ending in 2020-21) to the Rockhampton Regional Council for the construction of the new Rockhampton Art Gallery. This is in addition to a \$5 million allocation from the Queensland Government's Building Our Regions program and \$2 million provided in 2017-18. The Australian Government is providing a contribution of \$10 million towards the program of work
- invest \$4.4 million (\$9 million over three years ending in 2020-21) to implement sustainability and energy efficiency measures at the Queensland Cultural Centre, South Bank
- invest \$3.2 million (\$3.3 million over two years ending in 2019-20) to address critical infrastructure works at the Queensland Performing Arts Centre
- invest \$6 million (\$17.5 million over four years ending in 2020-21) through the Arts Infrastructure Investment Fund to support priority infrastructure that will revitalise existing State-owned arts and cultural facilities, including the Judith Wright Centre of Contemporary Arts and the Cairns Centre of Contemporary Arts
- deliver \$12.9 million through contestable funding programs including the Organisations Fund, Queensland Arts Showcase Program and Playing Queensland Fund.

<b>Arts Queensland</b>	<b>2018-19 Target/Est</b>	<b>2018-19 Est Actual</b>	<b>2019-20 Target/Est</b>
<b>Service: Investment programs</b>			
<b>Service standards</b>			
<i>Effectiveness measure</i>			
Customer satisfaction with Arts Queensland's service delivery <sup>1</sup>	90%	94%	83%
<i>Efficiency measure</i>			
Government funding provided direct to arts and cultural sector as a proportion of total investment program budget <sup>2</sup>	85%	90%	85%
<b>Service: Facilities management</b>			
<b>Service standards</b>			
<i>Effectiveness measure</i>			
Utilisation of state-owned arts and cultural facilities <sup>3</sup>	5,900,000 visitors	6,122,000 visitors	6,165,000 visitors
<i>Efficiency measure</i>			
Percentage cost of delivering facilities management <sup>4</sup>	<10%	8%	<10%

Notes:

- This service standard measures overall customer satisfaction with Arts Queensland's service delivery. The 2019-20 Target/Estimate has been amended due to a change to the calculation methodology to align with the Queensland Government *Performance Management Framework Measuring Customer Experience Reference Guide* published by the Department of the Premier and Cabinet.
- This service standard measures efficiency in the use of government funding provided to Arts Queensland as it demonstrates the relationship between the results achieved (government funding provided direct to the arts and cultural sector) for the resources used (costs of delivering the investment programs). The calculation uses Arts Queensland's total grant funding provided direct to the arts and cultural sector divided by Arts Queensland's total investment program budget excluding administered funding. A favourable performance is expected this financial year due to timing of grant spending.
- This service standard is based on the total estimated attendance figures at the Queensland Cultural Centre (QCC) and the Judith Wright Centre of Contemporary Arts. The 2018-19 Estimated Actual is above the 2018-19 Target/Estimate, influenced by higher than expected visitation at the Queensland Museum due to the new interactive science space—*SparkLab*, the newly opened Anzac Legacy Gallery and the exhibition, *NASA—A Human Adventure*, and programming at the Queensland Performing Arts Centre. The 2019-20 Target/Estimate has increased to 6,165,000 visitors from the 2018-19 Target/Estimate of 5,900,000 visitors. Visitation numbers may be impacted due to planned capital works at the QCC in 2019-20.
- This service standard measures the percentage cost of delivering facilities management services to Arts Queensland owned arts and cultural buildings. This measure demonstrates the relationship between the results achieved (facilities management services across arts

and cultural buildings) for the resources used (employee costs to deliver these services, which include all staff-related expenses, such as salaries, on-costs, training, uniforms and recruitment).

## Heritage Protection Services

### Service Area Objective

To protect Queensland's heritage by recognising its value and ensuring it is conserved and its value is promoted for present and future generations.

### Description

This service area:

- supports the Queensland Heritage Council to administer the *Queensland Heritage Act 1992*
- maintains the Queensland Heritage Register
- promotes the value and understanding of Queensland's heritage, including archaeology, through programs, education and investment initiatives
- provides technical advice pertaining to the development of State heritage places
- promotes the appreciation, and continued use, of heritage places through adaptive reuse.

### Sources of revenue<sup>1</sup>

Total cost \$'000	State contribution \$'000	User charges & fees \$'000	C'wth revenue \$'000	Other revenue \$'000
6,740	6,384	64		1

Note:

1. Note that corporate partnership costs servicing other agencies have not been assigned to a particular service area within DES as these services are delivered to other Government agencies under the partnership arrangements. The department participates in a partnership arrangement in the delivery of its services, whereby corporate services are hosted by DES to work across multiple departments. Under the corporate partnership arrangements, the department also receives services from the Department of Natural Resources, Mines and Energy and the Department of Agriculture and Fisheries.

### Staffing<sup>1,2,3</sup>

2018-19 Budget	2018-19 Estimated Actual	2019-20 Budget
41	31	31

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate FTEs are allocated across the service to which they relate.
3. Departmental FTEs total 3,017 in 2018-19 Budget, 3,025 in 2018-19 Estimated Actual and 3,013 in 2019-20 Budget. This includes corporate partnership FTEs servicing other agencies of 27 in 2018-19 Budget, 27 in 2018-19 Estimated Actual and 27 in 2019-20 Budget, which have not been assigned to a particular service area within DES as these services are delivered to other Government agencies under the partnership arrangements. The department participates in a partnership arrangement in the delivery of its services, whereby corporate services are hosted by DES to work across multiple departments. Under the corporate partnership arrangements, the department also receives services from the Department of Natural Resources, Mines and Energy and the Department of Agriculture and Fisheries.

### 2019-20 service area highlights

In 2019-20, the service area will:

- systematically review and update listings on the Queensland Heritage Register
- finalise options to implement key proposals recommended in the Heritage Working Group's final report
- develop new, and enhance existing policies and procedures to protect the State's heritage
- continue to invest funding of \$1.5 million in 2019-20 (\$6.1 million in total, ending in 2022-23) for urgent remedial conservation works to identified State heritage buildings.

<b>Heritage Protection Services</b>	<b>2018-19 Target/Est</b>	<b>2018-19 Est Actual</b>	<b>2019-20 Target/Est</b>
<b>Service standards</b>			
<i>Effectiveness measure</i> Percentage of departmental heritage recommendations, for inclusion in or removal from the Heritage Register, accepted by the Queensland Heritage Council <sup>1</sup>	90%	90%	90%
<i>Efficiency measure</i> Average cost per Heritage Register entry reviewed and updated <sup>2</sup>	\$235	\$235	\$235

Notes:

1. The department is responsible for researching, consulting relevant parties and making recommendations to the Queensland Heritage Council (QHC) for places nominated for inclusion in, or removal from, the Queensland Heritage Register (the Register). As an independent statutory body, the QHC is responsible for making the decision about which places are added to, or removed from, the Register. In making this decision the QHC must consider the department's recommendations, public submissions, oral representations, the physical condition or structural integrity of the place and any other information it considers relevant.
2. The Register contains more than 1,750 entries. Some of the information dates from 1992 when it was transitioned from other registers. These entries are being updated to improve the accuracy of information about places in the Register. This service standard measures the full-time equivalent staff cost (including on-costs) to review and update entries in the Register. A review can result in changes that range from minor (for example, change of location details), to major (for example, rewriting a history in an entry).

## Discontinued measures

Performance measures included in the *2018-19 Service Delivery Statements* that have been discontinued or replaced are reported in the following table with estimated actual results.

Department of Environment and Science	2018-19 Target/Est	2018-19 Est Actual	2019-20 Target/Est
<b>Service area: Environmental Protection Services</b>			
Percentage of sites that show a reduction in overall risk to the environment as a result of site inspections <sup>1</sup>	70%	70%	Discontinued measure
<b>Service area: Parks, Wildlife and Conservation Services</b>			
Percentage of problem crocodile declarations resolved within three months <sup>2</sup>	80%	95%	Discontinued measure
Average cost per wildlife permit or licence issued <sup>3</sup>	<\$150	\$150	Discontinued measure
<b>Service area: Science</b>			
Co-investment as a percentage of the Science appropriation budget <sup>4</sup>	≥20%	14.2%	Discontinued measure

Notes:

1. This service standard has been discontinued due to changes in data management systems. A new effectiveness measure is being developed and will be included in a future *Service Delivery Statement*. The measure will no longer be reported.
2. This service standard has been discontinued and replaced by a new measure, which better reflects the effectiveness of the crocodile management program. Information on problem crocodile declarations continues to be provided on the department's CrocWatch website and by the end of 2019, a new Wildlife Platform Application will be developed which will allow the public to see the outcome and management of all crocodile sightings and declared crocodiles. The measure will no longer be reported.
3. This service standard has been discontinued due to changes to the department's organisational arrangements, which resulted in the wildlife permit and licence process transitioning to a centralised unit, with responsibilities for a broader range of protected area and forestry estate permissions and authorities. The measure will no longer be reported.
4. This service standard has been discontinued as previous client agencies are now co-located within the Department of Environment and Science as a result of machinery-of-government changes effective from December 2017. Therefore, funding provided by those former clients can no longer be considered as co-investment. For example, previous funding provided for services related to Great Barrier Reef projects is now considered internal funding. The 2018-19 Estimated Actual reflects the impact of this change. The measure will no longer be reported.



## Administered items

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

The Department of Environment and Science administers funds on behalf of the State including for the collection of the Queensland Waste Levy and a range of regulatory fees associated with contaminated land searches, development applications and sand dredging royalties; permits for the keeping of wildlife and licensing of the recreational and commercial harvesting of wildlife; permits for commercial activity in or near parks; fines and forfeitures. These fees are generally levied on business and members of the community and remitted to Queensland Government's Consolidated Fund.

The total revenue budgeted to be received from the Queensland Waste Levy in 2019-20 is \$432.6 million. The department also administers funds for the Arts statutory bodies including the Queensland Art Gallery, Queensland Museum, Queensland Performing Arts Trust, State Library of Queensland and Queensland Theatre Company.

Administered funding provided for each entity in 2019-20 is:

- \$34.9 million for Queensland Art Gallery
- \$33.8 million for Queensland Museum
- \$65.4 million for State Library of Queensland
- \$10.5 million for Queensland Performing Arts Trust
- \$2.6 million for Queensland Theatre Company.

Financial statements and variance explanations for the Queensland Art Gallery, Queensland Museum, Queensland Performing Arts Trust and State Library of Queensland are separately reported within the *Service Delivery Statements*.

# Departmental budget summary

The table below shows the total resources available in 2019-20 from all sources and summarises how resources will be applied by service area and by controlled and administered classifications.

Department of Environment and Science	2018-19 Budget \$'000	2018-19 Est Actual \$'000	2019-20 Budget \$'000
<b>CONTROLLED</b>			
<b>Income</b>			
Appropriation revenue <sup>1</sup>			
Deferred from previous year/s	58,148	82,736	70,257
Balance of service appropriation	593,327	667,647	553,264
Other revenue	158,212	199,919	195,445
<b>Total income</b>	<b>809,687</b>	<b>950,302</b>	<b>818,966</b>
<b>Expenses</b>			
Environmental Protection Services	240,709	352,780	228,307
Parks, Wildlife and Conservation Services	330,191	332,468	318,655
Science	85,793	87,995	94,436
Arts Queensland	149,742	152,498	146,187
Heritage Protection Services	4,625	5,096	6,740
Corporate Partnerships	2,820	2,950	3,031
<b>Total expenses</b>	<b>813,880</b>	<b>933,787</b>	<b>797,356</b>
<b>Operating surplus/deficit</b>	<b>(4,193)</b>	<b>16,515</b>	<b>21,610</b>
<b>Net assets</b>	<b>5,556,465</b>	<b>5,702,198</b>	<b>5,741,128</b>
<b>ADMINISTERED</b>			
<b>Revenue</b>			
Commonwealth revenue			
Appropriation revenue	139,452	142,581	147,276
Other administered revenue	109,525	10,202	442,948
<b>Total revenue</b>	<b>248,977</b>	<b>152,783</b>	<b>590,224</b>
<b>Expenses</b>			
Transfers to government	109,525	10,202	442,948
Administered expenses	139,452	142,581	147,276
<b>Total expenses</b>	<b>248,977</b>	<b>152,783</b>	<b>590,224</b>
<b>Net assets</b>	<b>547</b>	<b>547</b>	<b>547</b>
<b>CAPITAL</b>			
<b>Capital purchases<sup>2</sup></b>			
Total land, buildings and infrastructure	73,022	62,233	80,633
Total plant and equipment	16,130	14,411	11,613

<b>Department of Environment and Science</b>	<b>2018-19 Budget \$'000</b>	<b>2018-19 Est Actual \$'000</b>	<b>2019-20 Budget \$'000</b>
Total other capital	5,848	6,165	8,403
<b>Total capital purchases</b>	<b>95,000</b>	<b>82,809</b>	<b>100,649</b>

Notes:

1. Includes State and Commonwealth funding.
2. For more detail on the agency's capital acquisitions please refer to *Capital Statement (Budget Paper 3)*.

# Budgeted financial statements

## Analysis of budgeted financial statements

An analysis of the department's budgeted financial statements is provided below.

### Departmental income statement

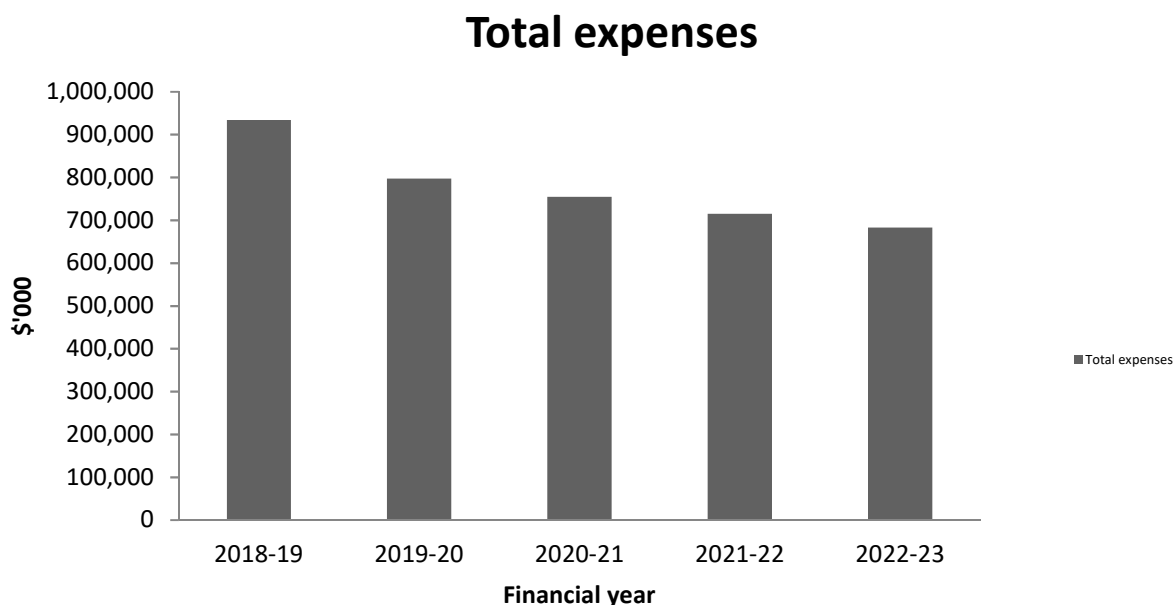
Total expenses in 2019-20 are budgeted to be \$797 million, a decrease of \$136 million from the 2018-19 Estimated Actuals. The decrease is primarily due to:

- initial \$143.5 million grant payments in 2018-19 for payments to local councils for the management of the Queensland Waste Levy
- programs ceasing in 2018-19 including ex-HMAS Tobruk Project, Marine Infrastructure Fund, Reef Islands Decarbonisation, Advance Queensland Waste Reform
- offset by new or increased funding in 2019-20 including Queensland Government Research Infrastructure Co-Investment Fund, Queensland Reef Water Quality Program, North Stradbroke Island (Minjerrabah) Townships Fire Management Program.

The department's budgeted operating surplus in 2019-20 relates to revenue against a number of externally funded programs, where the related revenue has been received in 2019-20 but the expenditure is planned to be spent in the following years. The funds are carried forward as part of the department's cash reserves and the programs remain fully funded. These programs include funds from the Queensland Reconstruction Authority for the restoration of departmental infrastructure as a result of natural disasters, funds received as a result of Environmental Offsets and grant funding from external parties for the delivery of specific outcomes including science delivery.

The decrease in projected expenses to 2022-23 is the result of a number of initiatives where approved funding is either reducing or due to cease due to the completion of programs. Programs include Investigations into Underground Coal Gasification (UCG), Queensland Reef Water Quality Program, Land Restoration Fund, Queensland Waste Levy Implementation, Saving the Great Barrier Reef Program and Queensland Climate Change Strategies.

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



### Departmental balance sheet

In 2019-20, the department's net assets are projected to be \$5.74 billion, with total assets of \$5.79 billion offset by liabilities of \$53 million.

The department's budgeted asset balances in 2019-20 are primarily comprised of heritage and cultural land held as national parks (\$1.5 billion), land (\$612 million), infrastructure (\$2.9 billion), buildings (\$317 million) and plant and equipment including intangibles (\$85.8 million).

The 2019-20 capital acquisition program of \$100.6 million, includes \$80.6 million for land, buildings and infrastructure, \$11.6 million for plant and equipment and \$8.4 million for systems development. The 2019-20 capital program includes programs of work to revitalise National Parks infrastructure and support arts infrastructure in Queensland.

The department's main liabilities relate to payables of an operating nature as well as funding held as unearned revenue under the Curtis Island Environmental Management Precinct agreement.

# Controlled income statement

Department of Environment and Science	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>INCOME</b>				
Appropriation revenue	1,9	651,475	750,383	623,521
Taxes		..	..	..
User charges and fees	2,10	120,105	125,096	124,122
Royalties and land rents		1,244	1,204	1,284
Grants and other contributions	3,11	33,515	70,124	68,227
Interest and distributions from managed funds	4	480	1,047	1,440
Other revenue		2,845	2,002	372
Gains on sale/revaluation of assets	5	23	446	..
<b>Total income</b>		<b>809,687</b>	<b>950,302</b>	<b>818,966</b>
<b>EXPENSES</b>				
Employee expenses	6,12	286,555	302,583	299,353
Supplies and services	7,13	262,336	254,880	248,268
Grants and subsidies	8,14	163,058	277,073	147,841
Depreciation and amortisation		94,962	94,614	96,997
Finance/borrowing costs		..	..	..
Other expenses		5,919	3,137	3,397
Losses on sale/revaluation of assets		1,050	1,500	1,500
<b>Total expenses</b>		<b>813,880</b>	<b>933,787</b>	<b>797,356</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>(4,193)</b>	<b>16,515</b>	<b>21,610</b>

# Controlled balance sheet

Department of Environment and Science	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>CURRENT ASSETS</b>				
Cash assets	15,20	70,998	64,002	112,890
Receivables	16,21	28,335	71,045	36,196
Other financial assets		..	..	..
Inventories		9	..	..
Other		2,413	1,397	1,610
Non-financial assets held for sale		..	..	..
<b>Total current assets</b>		<b>101,755</b>	<b>136,444</b>	<b>150,696</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		65	21	21
Other financial assets		..	..	..
Property, plant and equipment	17,22	5,500,640	5,599,398	5,617,505
Intangibles	23	20,235	19,744	25,860
Other		..	..	..
<b>Total non-current assets</b>		<b>5,520,940</b>	<b>5,619,163</b>	<b>5,643,386</b>
<b>TOTAL ASSETS</b>		<b>5,622,695</b>	<b>5,755,607</b>	<b>5,794,082</b>
<b>CURRENT LIABILITIES</b>				
Payables	18	34,501	26,446	26,894
Accrued employee benefits		10,928	12,529	12,201
Interest bearing liabilities and derivatives		..	..	..
Provisions		53	53	..
Other	19	20,748	14,381	13,859
<b>Total current liabilities</b>		<b>66,230</b>	<b>53,409</b>	<b>52,954</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>66,230</b>	<b>53,409</b>	<b>52,954</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>5,556,465</b>	<b>5,702,198</b>	<b>5,741,128</b>
<b>EQUITY</b>				
<b>TOTAL EQUITY</b>		<b>5,556,465</b>	<b>5,702,198</b>	<b>5,741,128</b>

# Controlled cash flow statement

Department of Environment and Science	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
Appropriation receipts		651,475	719,617	623,521
User charges and fees		120,473	125,466	124,377
Royalties and land rent receipts		1,244	1,204	1,284
Grants and other contributions		33,515	70,124	68,227
Interest and distribution from managed funds received		480	1,047	1,440
Taxes		..	..	..
Other		7,800	6,957	5,222
<b>Outflows:</b>				
Employee costs		(286,665)	(302,137)	(299,792)
Supplies and services		(269,807)	(262,981)	(254,731)
Grants and subsidies		(163,058)	(277,073)	(147,841)
Borrowing costs		..	..	..
Other		(5,881)	(3,531)	(3,919)
<b>Net cash provided by or used in operating activities</b>		<b>89,576</b>	<b>78,693</b>	<b>117,788</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Inflows:</b>				
Sales of non-financial assets		185	608	162
Investments redeemed		..	..	..
Loans and advances redeemed		11,053	(23,947)	35,138
<b>Outflows:</b>				
Payments for non-financial assets		(95,000)	(82,809)	(100,649)
Payments for investments		..	..	..
Loans and advances made		(5,000)	(5,000)	(289)
<b>Net cash provided by or used in investing activities</b>		<b>(88,762)</b>	<b>(111,148)</b>	<b>(65,638)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		5,000	5,000	289
Equity injections		73,526	50,502	76,650
<b>Outflows:</b>				
Borrowing redemptions		(11,053)	(11,053)	(138)
Finance lease payments		..	..	..
Equity withdrawals		(78,737)	(78,737)	(80,063)
<b>Net cash provided by or used in financing activities</b>		<b>(11,264)</b>	<b>(34,288)</b>	<b>(3,262)</b>
<b>Net increase/(decrease) in cash held</b>		<b>(10,450)</b>	<b>(66,743)</b>	<b>48,888</b>
<b>Cash at the beginning of financial year</b>		<b>81,448</b>	<b>130,745</b>	<b>64,002</b>
Cash transfers from restructure		..	..	..
<b>Cash at the end of financial year</b>		<b>70,998</b>	<b>64,002</b>	<b>112,890</b>



# Administered income statement

Department of Environment and Science	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>INCOME</b>				
Appropriation revenue	24,30	139,452	142,581	147,276
Taxes	25,31	100,724	..	432,603
User charges and fees	26	6,784	4,273	4,369
Royalties and land rents	27	1,552	4,281	4,291
Grants and other contributions		..	..	..
Interest and distributions from managed funds		..	..	..
Other revenue		465	1,648	1,685
Gains on sale/revaluation of assets		..	..	..
<b>Total income</b>		<b>248,977</b>	<b>152,783</b>	<b>590,224</b>
<b>EXPENSES</b>				
Employee expenses		..	..	..
Supplies and services		..	..	..
Grants and subsidies	28,32	139,452	142,581	147,276
Depreciation and amortisation		..	..	..
Finance/borrowing costs		..	..	..
Other expenses		..	..	..
Losses on sale/revaluation of assets		..	..	..
Transfers of Administered Revenue to Government	29,33	109,525	10,202	442,948
<b>Total expenses</b>		<b>248,977</b>	<b>152,783</b>	<b>590,224</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>..</b>	<b>..</b>	<b>..</b>

# Administered balance sheet

Department of Environment and Science	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>CURRENT ASSETS</b>				
Cash assets	34,35	180	403	309
Receivables		409	341	346
Other financial assets		..	..	..
Inventories		..	..	..
Other		..	..	..
Non-financial assets held for sale		..	..	..
<b>Total current assets</b>		<b>589</b>	<b>744</b>	<b>655</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		..	..	..
Intangibles		..	..	..
Other		..	..	..
<b>Total non-current assets</b>		<b>..</b>	<b>..</b>	<b>..</b>
<b>TOTAL ASSETS</b>		<b>589</b>	<b>744</b>	<b>655</b>
<b>CURRENT LIABILITIES</b>				
Payables		..	..	..
Transfers to Government payable		42	197	108
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
<b>Total current liabilities</b>		<b>42</b>	<b>197</b>	<b>108</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>42</b>	<b>197</b>	<b>108</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>547</b>	<b>547</b>	<b>547</b>
<b>EQUITY</b>				
<b>TOTAL EQUITY</b>		<b>547</b>	<b>547</b>	<b>547</b>

# Administered cash flow statement

Department of Environment and Science	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
Appropriation receipts		139,452	142,581	147,276
User charges and fees		6,784	4,150	4,364
Royalties and land rent receipts		1,552	4,281	4,291
Grants and other contributions		..	..	..
Interest and distribution from managed funds received		..	..	..
Taxes		100,724	..	432,603
Other		465	1,648	1,685
<b>Outflows:</b>				
Employee costs		..	..	..
Supplies and services		..	..	..
Grants and subsidies		(139,452)	(142,581)	(147,276)
Borrowing costs		..	..	..
Other		..	..	..
Transfers to Government		(109,525)	(6,390)	(443,037)
<b>Net cash provided by or used in operating activities</b>		<b>..</b>	<b>3,689</b>	<b>(94)</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		..	..	6,655
<b>Outflows:</b>				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	(6,655)
<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>..</b>	<b>3,689</b>	<b>(94)</b>
<b>Cash at the beginning of financial year</b>		<b>180</b>	<b>(3,286)</b>	<b>403</b>
Cash transfers from restructure		..	..	..
<b>Cash at the end of financial year</b>		<b>180</b>	<b>403</b>	<b>309</b>

# Explanation of variances in the financial statements

## Income statement

### Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:

1. Increase is primarily related to first year funding for payments to local councils to compensate for Queensland Waste Levy costs, offset by re-profiling in funding for Queensland Reef Water Quality Program and Land Restoration Fund.
2. Increase is due to increased revenue from environmental licence fees and other user charges.
3. Increase is primarily due to income from environmental offsets and funding from the Queensland Reconstruction Authority for the restoration of departmental assets as a result of natural disasters.
4. Increase is primarily due to increased interest from funds held from environmental offsets.
5. Increase is due to increase in proceeds from the disposal of plant and equipment.
6. Increase is primarily related to reallocation of budget from non-labour expenditure to reflect expected program delivery, renewed Commonwealth funding for Wet Tropics Management Authority and externally funded programs.
7. Reduction is primarily due to deferral of operating costs for administration of the Queensland Waste Levy commencing 1 July 2019 to 2019-20, reallocation of funding to the Department of Local Government, Racing and Multicultural Affairs for Resource Recovery Grant program directed at Local Governments and deferral of funding to future year for programs including Queensland Reef Water Quality Program, Land Restoration Fund and Queensland CarbonPlus Fund to match expected program delivery.
8. Increase is primarily related to new funding payments to local councils for commencement of the Queensland Waste Levy, Natural Disaster Relief and Recovery Arrangement Exceptional Circumstances (Category D) Funding 2017 Environmental Recovery Package. This is partially offset by rescheduling of programs in the forward estimates and recategorisation of funds between expenditure categories.

### Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:

9. Decrease is principally due to reduction in appropriation for payments to councils for Queensland Waste Levy costs, Saving the Great Barrier Reef, Investigations into Underground Coal Gasification (UCG), limited life funding ending in 2018-19 for Cairns Performing Arts Centre, infrastructure upgrade of Woodfordia Folk Festival site, ex HMAS Tobruk scuttling, offset by increases in funding for Queensland Government Research Infrastructure Co-Investment, Queensland Reef Water Quality Program, North Stradbroke Island (Minjerribah) Townships Fire Management Program.
10. Decrease is predominantly due to one off user charges in 2018-19 not continuing into 2019-20.
11. Reduction is due to one off revenue for environmental offsets recognised in 2018-19, offset by increased revenue under from the Queensland Reconstruction Authority for the Disaster Recovery Funding Arrangements - Riparian Recovery Program.
12. Decrease is primarily due to recategorisation of budget between employee expenses and supplies and services and cessation of limited life programs including Pristine Rivers and employee expenses component of Investigations into Underground Coal Gasification (UCG) offset by Enterprise Bargaining funding increases.
13. Decrease is primarily due the cessation of limited life programs including the Marine Infrastructure Fund, Queensland Container Refund and Plastic Bag Scheme, Advance Waste Queensland Waste Reform and exHMAS Tobruk scuttling.
14. Decrease is primarily due to first year funding for payments to local councils for Queensland Waste Levy costs being paid in 2018-19, limited life funding ending in 2018-19 for Cairns Performing Arts Centre and infrastructure upgrade of Woodfordia Folk Festival site, offset by increases in funding for Queensland Government Research Infrastructure Co-Investment Fund, Queensland Reef Water Quality Program and Disaster Recovery Funding Arrangements - Riparian Recovery Program.

## Balance sheet

### Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:

15. Decrease is predominantly due to short term concessional loan to facilitate commencement of the Container Refund Scheme offset by funds received for environmental offsets held for future program expenditure.

16. Increase is predominantly due to a short term concessional loan to facilitate commencement of the Container Refund Scheme.
17. The increase in property, plant and equipment reflects a net revaluation increment at the end of the 2017-18 financial year not budgeted.
18. Decrease is due to changes to the timing of the payment of funds to creditors at financial year end.
19. Decrease is due to timing differences to the utilisation of previously received funding from external parties at financial year end.

**Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:**

20. Increase is predominantly due to expected repayment of short term concessional loan related to Container Refund Scheme implementation.
21. Decrease is predominantly due to expected repayment of short term concessional loan related to Container Refund Scheme implementation.
22. Increase in property, plant and equipment reflects the increased investment in departmental assets.
23. Increase is due planned development of system and IT assets including the Accelerating Science Delivery Innovation Tranche 2 systems development.

## Administered income statement

**Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:**

24. The increase is due to funding for the World Science Festival at Queensland Museum.
25. The decrease is due to the rescheduling of the commencement of the Queensland Waste Levy to 1 July 2019.
26. The decrease is due primarily to the recategorisation of regulatory fees.
27. The increase is due to the recategorisation of sand mining royalties to match forecast performance and additional fines and forfeiture revenue for the year.
28. The increase is due to funding for the World Science Festival at Queensland Museum.
29. The decrease is due to the rescheduling of the commencement of the Queensland Waste Levy to 1 July 2019.

**Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:**

30. The increase is due to limited life funding to expand the research and biodiversity collection storage at Queensland Museum and for blockbuster exhibitions at the Gallery of Modern Art.
31. Increase is due to the implementation of the Queensland Waste Levy.
32. The increase is due to limited life funding to expand the research and biodiversity collection storage at Queensland Museum and for blockbuster exhibitions at the Gallery of Modern Art.
33. Increase is predominantly due to the implementation of the Queensland Waste Levy.

## Administered balance sheet

**Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:**

34. Increase is due to changes to the timing of the remittance of funds to Government.

**Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:**

35. Decrease is due to changes to the timing of the remittance of funds to Government.

# Reporting Entity Financial Statements

## Reporting Entity comprises:

- Department of Environment and Science (excluding Administered)
- Corporate Administration Agency.

Explanations of variances for each entity are included in the individual budget financial statements located in this Service Delivery Statement.

## Reporting entity income statement

Department of Environment and Science	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>INCOME</b>				
Appropriation revenue		651,475	750,383	623,521
Taxes		..	..	..
User charges and fees		130,999	135,990	135,138
Royalties and land rents		1,244	1,204	1,284
Grants and other contributions		33,596	70,205	68,308
Interest and distributions from managed funds		480	1,047	1,440
Other revenue		2,845	2,002	372
Gains on sale/revaluation of assets		23	446	..
<b>Total income</b>		<b>820,662</b>	<b>961,277</b>	<b>830,063</b>
<b>EXPENSES</b>				
Employee expenses		294,450	310,478	307,340
Supplies and services		265,181	257,725	251,171
Grants and subsidies		163,058	277,073	147,841
Depreciation and amortisation		94,962	94,614	96,997
Finance/borrowing costs		..	..	..
Other expenses		6,154	3,372	3,604
Losses on sale/revaluation of assets		1,050	1,500	1,500
<b>Total expenses</b>		<b>824,855</b>	<b>944,762</b>	<b>808,453</b>
Income tax expense/revenue		..	..	..
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>(4,193)</b>	<b>16,515</b>	<b>21,610</b>

# Reporting entity balance sheet

Department of Environment and Science	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>CURRENT ASSETS</b>				
Cash assets		74,996	67,788	116,778
Receivables		28,808	72,010	36,893
Other financial assets		..	..	..
Inventories		9	..	..
Other		3,218	2,036	2,449
Non-financial assets held for sale		..	..	..
<b>Total current assets</b>		<b>107,031</b>	<b>141,834</b>	<b>156,120</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		65	21	21
Other financial assets		..	..	..
Property, plant and equipment		5,500,640	5,599,398	5,617,505
Deferred tax assets		..	..	..
Intangibles		20,235	19,744	25,860
Other		..	..	..
<b>Total non-current assets</b>		<b>5,520,940</b>	<b>5,619,163</b>	<b>5,643,386</b>
<b>TOTAL ASSETS</b>		<b>5,627,971</b>	<b>5,760,997</b>	<b>5,799,506</b>
<b>CURRENT LIABILITIES</b>				
Payables		34,899	26,788	27,170
Current tax liabilities		..	..	..
Accrued employee benefits		11,192	12,865	12,537
Interest bearing liabilities and derivatives		..	..	..
Provisions		53	53	..
Other		20,905	14,592	14,170
<b>Total current liabilities</b>		<b>67,049</b>	<b>54,298</b>	<b>53,877</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>67,049</b>	<b>54,298</b>	<b>53,877</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>5,560,922</b>	<b>5,706,699</b>	<b>5,745,629</b>
<b>EQUITY</b>				
<b>TOTAL EQUITY</b>		<b>5,560,922</b>	<b>5,706,699</b>	<b>5,745,629</b>

# Reporting entity cash flow statement

Department of Environment and Science	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
Appropriation receipts		651,475	719,617	623,521
User charges and fees		130,645	136,638	135,571
Royalties and land rent receipts		1,244	1,204	1,284
Grants and other contributions		33,596	70,205	68,308
Interest and distribution from managed funds received		480	1,047	1,440
Taxes		..	..	..
Other		8,524	7,681	5,967
<b>Outflows:</b>				
Employee costs		(294,560)	(310,032)	(307,779)
Supplies and services		(272,684)	(266,858)	(258,455)
Grants and subsidies		(163,058)	(277,073)	(147,841)
Borrowing costs		..	..	..
Taxation equivalents paid		..	..	..
Other		(6,116)	(3,766)	(4,126)
<b>Net cash provided by or used in operating activities</b>		<b>89,546</b>	<b>78,663</b>	<b>117,890</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Inflows:</b>				
Sales of non-financial assets		185	608	162
Investments redeemed		..	..	..
Loans and advances redeemed		11,053	(23,947)	35,138
<b>Outflows:</b>				
Payments for non-financial assets		(95,000)	(82,809)	(100,649)
Payments for investments		..	..	..
Loans and advances made		(5,000)	(5,000)	(289)
<b>Net cash provided by or used in investing activities</b>		<b>(88,762)</b>	<b>(111,148)</b>	<b>(65,638)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		5,000	5,000	289
Equity injections		73,526	50,502	76,650
<b>Outflows:</b>				
Borrowing redemptions		(11,053)	(11,053)	(138)
Finance lease payments		..	..	..
Equity withdrawals		(78,737)	(78,737)	(80,063)
Dividends paid		..	..	..
<b>Net cash provided by or used in financing activities</b>		<b>(11,264)</b>	<b>(34,288)</b>	<b>(3,262)</b>
<b>Net increase/(decrease) in cash held</b>		<b>(10,480)</b>	<b>(66,773)</b>	<b>48,990</b>
<b>Cash at the beginning of financial year</b>		<b>85,476</b>	<b>134,561</b>	<b>67,788</b>
Cash transfers from restructure		..	..	..
<b>Cash at the end of financial year</b>		<b>74,996</b>	<b>67,788</b>	<b>116,778</b>



# Statutory bodies

## Library Board of Queensland

### Overview

Founded in 1896, the State Library of Queensland (State Library) is the leading reference and research library in Queensland. State Library is responsible for collecting and preserving a comprehensive collection of Queensland's cultural and documentary heritage, providing free access to information for all Queenslanders and the advancement of public libraries across the state. The object of the *Libraries Act 1988* is 'to contribute to the cultural, social and intellectual development of all Queenslanders'. State Library is achieving its vision – inspiring possibilities through knowledge, stories and creativity, through the strategic objectives of trusted content, shared experiences, and future-focused people and processes.

State Library contributes to the Government's objectives for the community *Our Future State: Advancing Queensland's Priorities*:

- Create jobs in a strong economy by providing all Queenslanders with access to free online learning programs so they can upskill and remain agile throughout their career
- Keep communities safe by providing welcoming places for everyone, free access to a wide range of information and opportunities for the open exchange of ideas and exposure to different perspectives
- Give all our children a great start by delivering programs, such as, First 5 Forever, in partnership with public libraries, which give families the skills and resources to develop strong educational foundations for children from 0-5 years
- Be a responsive government by enabling future-focused people and processes.

State Library supports the *Advance Queensland* policy through collections, services and programs that enable innovation and new enterprise, build capability in the regions and enable more Queenslanders to participate in the digital economy by increasing digital literacy skills and providing additional support for small business. To achieve the legislated role, State Library is digitising content to make it accessible, capturing born digital content and building infrastructure to ensure long-term access to digital content. State Library is also working to address the digital divide in Queensland, as access, affordability and ability are essential to digitally inclusive, literate communities that are skilled for the 21<sup>st</sup> century.

Key strategic risks are collecting today what will be important tomorrow, and curating and presenting in a way that is trusted and relevant. State Library will mitigate these risks by building and preserving a comprehensive collection and providing diverse perspectives and opportunities for discussion.

### Service summary

In 2019-20, State Library will:

- strengthen the focus on digital content to meet legal deposit obligations
- implement digital preservation strategies and practices
- complement our contemporary focus by building our capability in collecting and interpreting rare printed and original materials
- celebrate the International Year of Indigenous Languages with a major program of activities
- activate our reach and engagement to provide new opportunities to experience our collections and services
- continue to invest in public library collections and services and partner with local government to realise the potential of public libraries and Indigenous Knowledge Centres
- deepen our commitment to reconciliation through the delivery of the Aboriginal and Torres Strait Islander cultural competency program
- achieve secure, reliable and flexible digital technology and services that meet our current and future business needs
- optimise commercial activities and revenue streams.

# Service performance

## State Library of Queensland

### Service Area Objective

To collect and preserve a comprehensive collection of Queensland's cultural and documentary heritage and contribute to the cultural, social and intellectual development of all Queenslanders.

### Description

State Library:

- provides free access to print, digital and original resources
- provides information and research services, events and exhibitions, and centres of engagement with: children and young people; Aboriginal and Torres Strait Islander peoples; arts, science, technology, enterprise and design
- partners with local government to fund and support over 320 public libraries and Indigenous Knowledge Centres through collection services and professional development
- plays a leadership role to ensure the sustainability of small rural and remote libraries and Indigenous Knowledge Centres, including the purchase and distribution of collections that are shared across the network.

### Staffing<sup>1</sup>

2018-19 Budget	2018-19 Estimated Actual	2019-20 Budget
288	288	287

Note:

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

State Library of Queensland	2018-19 Target/Est	2018-19 Est Actual	2019-20 Target/Est
<b>Service standards</b>			
<i>Effectiveness measures</i>			
Customer satisfaction with services and programs <sup>1</sup>	95%	97%	95%
Visits to State Library onsite and online <sup>2</sup>	4.1 million	3.9 million	3.9 million
<i>Efficiency measure</i>			
Average cost per visit <sup>3</sup>	New measure	New measure	≤\$7.50

Notes:

1. This service standard is based on overall customer satisfaction through surveys which are compliant with the Queensland Government *Performance Management Framework Measuring Customer Experience Reference Guide* published by the Department of the Premier and Cabinet. The survey includes questions on timeliness, quality, access, staff, outcome and overall satisfaction.
2. This service standard is considered the best available proxy measure of effectiveness of the service area objective, due to its ability to infer public value, relevance and community perception. The 2018-19 Estimated Actual is lower than the 2018-19 Target/Estimate as the rate of growth in onsite and online visits was lower than forecast. The 2018-19 Estimated Actual represents a 5% increase on the 2017-18 result. For 2019-20, the scope of this measure has been expanded to include visits to the Anzac Square exhibition galleries, which will be managed by State Library. The 2019-20 Target/Estimate is retained at the 2018-19 Estimated Actual result.
3. This service standard measures the average staff cost per number of onsite and online visits. It demonstrates the continued improvement in the efficient use of public funds to provide services and programs to the public. Costs include salaries and on-costs for employees as well as casual staff expenses.

## Discontinued measures

Performance measures included in the *2018-19 Service Delivery Statements* that have been discontinued or replaced are reported in the following table with estimated actual results.

<b>State Library of Queensland</b>	<b>2018-19 Target/Est</b>	<b>2018-19 Est Actual</b>	<b>2019-20 Target/Est</b>
Percentage increase in the efficiency of service delivery <sup>1</sup>	2%	4%	Discontinued measure

Note:

1. This service standard has been discontinued and replaced by a new service standard which measures the average cost per visit. The new measure provides a clearer indication of improvement in the efficient use of public funds in providing services and programs to the public. The discontinued measure will not continue to be reported elsewhere. Onsite and online visits, which were key elements of this measure, continue to be reported in the *Service Delivery Statements*. The 2018-19 Estimated Actual is higher than the 2018-19 Target/Estimate as State Library forecasts a 5% increase in onsite and online visits.

# Income statement

Library Board of Queensland	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>INCOME</b>				
Taxes		..	..	..
User charges and fees		3,932	4,002	4,102
Grants and other contributions		73,308	73,858	73,692
Interest and distributions from managed funds	1	745	893	893
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
<b>Total income</b>		<b>77,985</b>	<b>78,753</b>	<b>78,687</b>
<b>EXPENSES</b>				
Employee expenses		29,975	30,013	30,451
Supplies and services		22,857	23,095	23,015
Grants and subsidies		24,392	24,884	24,460
Depreciation and amortisation		545	545	545
Finance/borrowing costs		..	..	..
Other expenses		196	196	196
Losses on sale/revaluation of assets		20	20	20
<b>Total expenses</b>		<b>77,985</b>	<b>78,753</b>	<b>78,687</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>..</b>	<b>..</b>	<b>..</b>

# Balance sheet

Library Board of Queensland	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>CURRENT ASSETS</b>				
Cash assets	2,9	16,437	18,660	17,673
Receivables	3	849	1,366	1,366
Other financial assets		..	..	..
Inventories	4	213	192	192
Other	5	893	1,249	1,249
Non-financial assets held for sale		..	..	..
<b>Total current assets</b>		<b>18,392</b>	<b>21,467</b>	<b>20,480</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		126,368	124,160	125,352
Intangibles	6,10	9,679	10,071	10,666
Other		..	..	..
<b>Total non-current assets</b>		<b>136,047</b>	<b>134,231</b>	<b>136,018</b>
<b>TOTAL ASSETS</b>		<b>154,439</b>	<b>155,698</b>	<b>156,498</b>
<b>CURRENT LIABILITIES</b>				
Payables	7	1,578	1,955	1,955
Accrued employee benefits		2,746	2,761	2,761
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	8	153	305	305
<b>Total current liabilities</b>		<b>4,477</b>	<b>5,021</b>	<b>5,021</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>4,477</b>	<b>5,021</b>	<b>5,021</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>149,962</b>	<b>150,677</b>	<b>151,477</b>
<b>EQUITY</b>				
<b>TOTAL EQUITY</b>		<b>149,962</b>	<b>150,677</b>	<b>151,477</b>

# Cash flow statement

Library Board of Queensland	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
User charges and fees		4,335	4,405	4,505
Grants and other contributions		66,130	66,680	66,514
Interest and distribution from managed funds received		745	893	893
Taxes		..	..	..
Other		311	311	311
<b>Outflows:</b>				
Employee costs		(29,975)	(30,013)	(30,451)
Supplies and services		(15,679)	(15,917)	(15,837)
Grants and subsidies		(24,392)	(24,884)	(24,460)
Borrowing costs		..	..	..
Other		(930)	(930)	(930)
<b>Net cash provided by or used in operating activities</b>		<b>545</b>	<b>545</b>	<b>545</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Inflows:</b>				
Sales of non-financial assets		..	471	777
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
<b>Outflows:</b>				
Payments for non-financial assets		(2,069)	(1,959)	(2,309)
Payments for investments		..	..	..
Loans and advances made		..	..	..
<b>Net cash provided by or used in investing activities</b>		<b>(2,069)</b>	<b>(1,488)</b>	<b>(1,532)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		..	..	..
Equity injections		..	..	..
<b>Outflows:</b>				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
<b>Net cash provided by or used in financing activities</b>		<b>..</b>	<b>..</b>	<b>..</b>
<b>Net increase/(decrease) in cash held</b>		<b>(1,524)</b>	<b>(943)</b>	<b>(987)</b>
<b>Cash at the beginning of financial year</b>		<b>17,961</b>	<b>19,603</b>	<b>18,660</b>
Cash transfers from restructure		..	..	..
<b>Cash at the end of financial year</b>		<b>16,437</b>	<b>18,660</b>	<b>17,673</b>

# Explanation of variances in the financial statements

## Income statement

**Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:**

1. Increase is due to a higher value of funds held and invested.

## Balance sheet

**Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:**

2. Increase is due to timing delays to projects and deferred capital replacement.
3. Increase is due to higher user charges and grants expenditure.
4. Decrease is due to a reduction in preservation materials held.
5. Increase is due to higher database subscription prepayments.
6. Increase is due to higher than expected digital collections due to recognition of the Corley collection.
7. Increase is due to timing differences of grants and supplies and services.
8. Increase in timing differences in unearned revenue.

**Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:**

9. Decrease is due to timing differences of capital replacement from current year and the previous year.
10. Increase is due to higher than expected digital collections due to recognition of the Corley collection.

# Queensland Art Gallery

## Overview

The Queensland Art Gallery | Gallery of Modern Art (the Gallery) contributes to the cultural, social and intellectual development of all Queenslanders and is one of the most visited art galleries in Australia. The Gallery's vision is to be the leading institution for the contemporary art of Australia, Asia and the Pacific, and its purpose is to engage people with art and artists through memorable and transformative experiences. The Gallery's strategic objectives are:

- build Queensland's globally significant Collection and deliver compelling exhibitions
- connect people with the enduring power of art and ideas
- build our community of partners and organisational capability.

The Gallery contributes to the Government's objectives for the community *Our Future State: Advancing Queensland's Priorities*:

- Keep communities safe by welcoming all visitors and facilitating participation by children and families, visitors with disability, young people and students, seniors, and people in remote, regional, and outer metropolitan areas of the state; and featuring art and artists from diverse cultures to increase social cohesion through understanding and tolerance of difference
- Create jobs in a strong economy by drawing local, interstate and international visitors to Queensland as a cultural tourism destination and collecting and presenting the work of Queensland artists to strengthen the State's visual arts sector
- Give all our children a great start by working with artists to create programs, books and activities for children; and providing teaching and learning resources to help children and young people connect with the enduring power of art and ideas.

A key priority for the Gallery in 2019-20 is leveraging recent record levels of annual visitation and profile towards securing future exclusive-to-Queensland blockbuster and major exhibitions in partnership with major national and international galleries and institutions. Challenges include implementing an integrated action plan to progress the Gallery's Digital Transformation Initiative and continuing to progress the realisation of an all-ages learning centre at the Gallery.

## Service summary

In 2019-20, the Gallery will:

- deliver an ambitious exhibition program including the ticketed blockbuster exhibition, *Water*, and major exhibitions of work by Australian artists Margaret Olley and Ben Quilty
- present major installation works from the Queensland Art Gallery Collection including those by Ai Weiwei (China) and Cai Guo-Qiang (China), as well as a program of Collection-based exhibitions
- present the next iteration of the Gallery's Q exhibition series focused on contemporary Queensland art, as well as, exhibitions of work by Queensland artists Shirley Macnamara, Jon Molvig, Mrs Waal-Waal Ngallametta and Goobalathaldin Dick Roughsey
- continue to host blockbuster exhibitions exclusive to Brisbane through increased funding of \$4 million over two years
- recognise and celebrate the 40<sup>th</sup> anniversary of the Gallery's Foundation and the transformative impact of major philanthropic gifts, including the unprecedented bequest of Win Schubert AO
- with the support of Screen Queensland, continue to build the audience and profile for the Brisbane International Film Festival (BIFF) at the Gallery and partner venues, including presenting an accompanying exhibition for BIFF 2019
- launch a new regional Queensland touring exhibition of work by Australian artist Patricia Piccinini.



# Service performance

## Queensland Art Gallery

### Service Area Objective

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

### Description

The Gallery:

- develops, conserves and presents the State art collection
- delivers art and cultural experiences to Queenslanders and visitors through onsite and touring exhibitions, and onsite and online programs.

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

2018-19 Budget	2018-19 Estimated Actual	2019-20 Budget
290	290	290

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. The Gallery's core staffing establishment is approximately 240 FTEs per year, plus an average of 50 casual FTEs, noting that casual employment fluctuates considerably during the year to meet exhibition-driven demands and a natural visitation peak during public and school holidays.

Queensland Art Gallery	2018-19 Target/Est	2018-19 Est Actual	2019-20 Target/Est
<b>Service standards</b>			
<i>Effectiveness measures</i>			
Audience satisfaction with onsite visit <sup>1</sup>	95%	93%	95%
Visits to the Queensland Art Gallery   Gallery of Modern Art onsite and at touring venues <sup>2</sup>	1.4 million	1.4 million	1.4 million
<i>Efficiency measure</i>			
Non-government revenue as a percentage of total revenue <sup>3</sup>	30%	30%	30%

Notes:

1. This service standard is based on overall satisfaction of audiences with their experiences of exhibitions, programs and other services delivered onsite at the Gallery. Measurement of audience satisfaction aligns with the Queensland Government *Performance Management Framework Measuring Customer Experience Reference Guide* published by the Department of the Premier and Cabinet.
2. The number of visits onsite and at regional and other touring venues is considered the best available proxy measure of effectiveness for the service area objective, due to the ability to infer from it public value, relevance, community perception and international standing.
3. This service standard demonstrates the efficient use of government funding to leverage private investment and own-source revenue for the delivery of services. Excluded from this measure is any external trust revenue.

# Income statement

Queensland Art Gallery	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>INCOME</b>				
Taxes		..	..	..
User charges and fees	1,6	7,920	7,387	9,722
Grants and other contributions		50,871	51,750	52,552
Interest and distributions from managed funds	2	450	1,355	1,355
Other revenue		550	605	592
Gains on sale/revaluation of assets	3,7	1,650	520	1,325
<b>Total income</b>		<b>61,441</b>	<b>61,617</b>	<b>65,546</b>
<b>EXPENSES</b>				
Employee expenses		29,787	29,787	30,616
Supplies and services	4,8	26,960	15,641	17,578
Grants and subsidies		..	..	..
Depreciation and amortisation		521	521	512
Finance/borrowing costs		..	..	..
Other expenses	5	548	12,872	12,463
Losses on sale/revaluation of assets		..	..	..
<b>Total expenses</b>		<b>57,816</b>	<b>58,821</b>	<b>61,169</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>3,625</b>	<b>2,796</b>	<b>4,377</b>

# Balance sheet

Queensland Art Gallery	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>CURRENT ASSETS</b>				
Cash assets	9	6,896	8,162	7,797
Receivables		606	606	606
Other financial assets		..	..	..
Inventories		700	700	700
Other		220	220	220
Non-financial assets held for sale		..	..	..
<b>Total current assets</b>		<b>8,422</b>	<b>9,688</b>	<b>9,323</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		..	..	..
Other financial assets		35,536	36,946	36,900
Property, plant and equipment	10	438,971	469,922	479,710
Intangibles		..	..	..
Other		..	..	..
<b>Total non-current assets</b>		<b>474,507</b>	<b>506,868</b>	<b>516,610</b>
<b>TOTAL ASSETS</b>		<b>482,929</b>	<b>516,556</b>	<b>525,933</b>
<b>CURRENT LIABILITIES</b>				
Payables		1,403	1,403	1,403
Accrued employee benefits		2,501	2,527	2,527
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	11	380	501	501
<b>Total current liabilities</b>		<b>4,284</b>	<b>4,431</b>	<b>4,431</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>4,284</b>	<b>4,431</b>	<b>4,431</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>478,645</b>	<b>512,125</b>	<b>521,502</b>
<b>EQUITY</b>				
<b>TOTAL EQUITY</b>		<b>478,645</b>	<b>512,125</b>	<b>521,502</b>

# Cash flow statement

Queensland Art Gallery	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
User charges and fees		7,920	7,378	9,722
Grants and other contributions		36,467	36,927	38,148
Interest and distribution from managed funds received		450	1,355	1,355
Taxes		..	..	..
Other		580	788	622
<b>Outflows:</b>				
Employee costs		(29,787)	(30,087)	(30,616)
Supplies and services		(15,086)	(16,269)	(17,608)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(548)	(524)	(559)
<b>Net cash provided by or used in operating activities</b>		<b>(4)</b>	<b>(432)</b>	<b>1,064</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Inflows:</b>				
Sales of non-financial assets		..	..	..
Investments redeemed		2,054	3,500	2,501
Loans and advances redeemed		..	..	..
<b>Outflows:</b>				
Payments for non-financial assets		(2,050)	(3,800)	(2,800)
Payments for investments		..	(1,130)	(1,130)
Loans and advances made		..	..	..
<b>Net cash provided by or used in investing activities</b>		<b>4</b>	<b>(1,430)</b>	<b>(1,429)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		..	..	..
Equity injections		..	..	..
<b>Outflows:</b>				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
<b>Net cash provided by or used in financing activities</b>		<b>..</b>	<b>..</b>	<b>..</b>
<b>Net increase/(decrease) in cash held</b>		<b>..</b>	<b>(1,862)</b>	<b>(365)</b>
<b>Cash at the beginning of financial year</b>		<b>6,896</b>	<b>10,024</b>	<b>8,162</b>
Cash transfers from restructure		..	..	..
<b>Cash at the end of financial year</b>		<b>6,896</b>	<b>8,162</b>	<b>7,797</b>

# Explanation of variances in the financial statements

## Income statement

### Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:

1. A decrease due to less than expected food and beverage and merchandise sales.
2. An increase due to reclassification of income from distributions from Gains on sale/revaluation of assets to Interest and distributions from managed funds, offset by a reduction in average interest rates over the last few years.
3. A decrease due to reclassification of income from distributions from Gains on sale/revaluation of assets to Interest and distributions from managed funds.
4. A decrease due to reclassification of Services received below fair value from Other supplies and services to Other expenses.
5. An increase due to reclassification of Services received below fair value from Other supplies and services to Other expenses.

### Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:

6. An increase primarily due to the ticketing of a major exhibition in 2019-20.
7. An increase primarily due to the return of QIC investment gains to historical averages in 2019-20.
8. An increase primarily due to funding provided to secure blockbuster exhibitions, exclusive to Brisbane.

## Balance sheet

### Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:

9. An increase primarily due to greater than expected user charge revenue carried forward from 2017-18.
10. An increase primarily due to a revaluation of the Collection in 2017-18.
11. An increase in deposits held for future events at the Gallery.

# Queensland Museum

## Overview

The vision of the Queensland Museum Network (QMN) is to be a trusted and valued museum network that creates authentic and compelling experiences, connects real objects and contemporary research with communities and tells stories that inspire, enrich and empower.

QMN contributes to the Government's objectives for the community *Our Future State: Advancing Queensland's Priorities*:

- Create jobs in a strong economy by providing an attractive destination for Queensland residents and visitors, stimulating growth in the tourism, education, hospitality and leisure industries
- Give all our children a great start by delivering learning experiences for early childhood, contributing to their general knowledge, social competence and emotional maturity
- Protect the Great Barrier Reef through advocacy, public programs, collections and research
- Keep Queenslanders healthy by delivering experiences, interactions and spaces that foster community cohesion, empathy and wellbeing, and assisting communities to connect with, and value, their heritage.

The objectives of QMN include:

- manage QMN's collections to meet international standards and optimise access for use in research, public programs and learning
- deliver compelling and relevant experiences that maximise the opportunities for engagement and learning
- deliver high-quality original research which informs exhibitions and public programs and addresses state and national priorities
- create a sustainable business model by investing in QMN's products, services, facilities, infrastructure and partnerships
- build a capable and engaged workforce ensuring a rewarding, innovative and high-performing workplace culture.

QMN strives to ensure that it meets international standards in the care, growth and preservation of the collections; creates compelling experiences that engage visitors (both real and virtual); builds world-class research capability and becomes a national leader in engagement in science, technology, engineering, mathematics (STEM) and the arts.

Key priorities include maintaining a statewide and dynamic program of exhibitions and events and conserving and managing the State collection to international standards. Key issues impacting QMN include the capacity to sustain a core of scientific and technical expertise capable of addressing issues critical to Queensland's cultural and natural environment; and the capacity to grow and diversify income streams to ensure financial sustainability.

## Service summary

In 2019-20, QMN will:

- collect, preserve and develop State collection objects and specimens which reflect Queensland's natural and cultural heritage and science and technology development
- deliver an expanded research and biodiversity collection storage centre with an investment of \$16.1 million over four years from 2019-20 to 2022-23 to preserve and maintain valuable collection items to international standards
- continue the implementation of the \$7 million investment over four years from 2016-17 to address critical maintenance at regional campuses and the storage facility at Hendra
- create and extend lifelong learning opportunities through exhibitions, events, programs, publications and digital media. Major events in 2019-20 include the fifth World Science Festival Brisbane, continued delivery of high-profile international exhibitions and delivery of STEM initiatives across all campuses of QMN
- undertake research to discover new knowledge, in conjunction with partner research organisations and universities
- provide leadership and education to communities in the management of local collections through the statewide Museum Development Officer network
- advocate on behalf of communities to ensure their stories, culture and history are preserved.

# Service performance

## Queensland Museum

### Service Area Objective

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

### Description

QMN:

- manages the State collection
- offers public access to the collections and public programs through research, education, exhibitions and loans to communities across the state and beyond
- delivers services onsite in all campuses, the community, classrooms and online.

### Staffing<sup>1</sup>

2018-19 Budget	2018-19 Estimated Actual	2019-20 Budget
250	250	250

Note:

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

Queensland Museum	2018-19 Target/Est	2018-19 Est Actual	2019-20 Target/Est
<b>Service standards</b>			
<i>Effectiveness measures</i>			
Audience satisfaction with museum experiences <sup>1</sup>	96%	96%	96%
Visits to Queensland Museum Network onsite and at touring venues <sup>2</sup>	2.1 million	2.3 million	2.2 million
<i>Efficiency measure</i>			
Non-government revenue as a percentage of total revenue <sup>3</sup>	41%	33%	36%

Notes:

1. This service standard provides an indication of QMN's effectiveness in providing a compelling program of experiences across its campuses and online, helping to build Queensland's reputation as a cultural destination. The measure is of overall satisfaction of audiences with their QMN experiences and the survey is consistent with the Queensland Government *Performance Management Framework Measuring Customer Experience Reference Guide* published by the Department of the Premier and Cabinet.
2. This service standard is considered the best available proxy measure of effectiveness for the service area objective, due to its ability to infer public value, relevance, community perception and international standing. The 2018-19 Estimated Actual is greater than the 2018-19 Target/Estimate due to stronger than anticipated visitation to the *NASA—A Human Adventure* exhibition. The 2019-20 Estimated Actual has increased to 2.2 million visits based on the 2018-19 Estimated Actual and scheduled programming for 2019-20.
3. This service standard demonstrates the efficient use of government funding in leveraging investment and own source revenue for the delivery of services. The 2018-19 Estimated Actual is lower than the 2018-19 Target/Estimate due to the provision of additional government grant funds for projects, which resulted in a lower percentage of non-government funds. The change in the 2019-20 Target/Estimate is due to differences in the timing of program funding between years.

# Income statement

Queensland Museum	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>INCOME</b>				
Taxes		..	..	..
User charges and fees	1	12,073	10,801	10,398
Grants and other contributions	2	44,221	47,019	46,847
Interest and distributions from managed funds		325	325	325
Other revenue	4	108	108	13
Gains on sale/revaluation of assets		190	190	190
<b>Total income</b>		<b>56,917</b>	<b>58,443</b>	<b>57,773</b>
<b>EXPENSES</b>				
Employee expenses		26,616	27,030	27,345
Supplies and services	3,5	24,840	27,093	25,016
Grants and subsidies		40	40	65
Depreciation and amortisation		4,889	4,015	4,466
Finance/borrowing costs		..	..	..
Other expenses		532	650	579
Losses on sale/revaluation of assets		..	..	..
<b>Total expenses</b>		<b>56,917</b>	<b>58,828</b>	<b>57,471</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>..</b>	<b>(385)</b>	<b>302</b>



# Balance sheet

Queensland Museum	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>CURRENT ASSETS</b>				
Cash assets	6	5,307	7,520	7,033
Receivables		1,504	1,364	1,323
Other financial assets		..	..	..
Inventories		622	637	637
Other		26	282	282
Non-financial assets held for sale		..	..	..
<b>Total current assets</b>		<b>7,459</b>	<b>9,803</b>	<b>9,275</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		..	..	..
Other financial assets		3,694	3,628	3,818
Property, plant and equipment		630,825	640,740	659,605
Intangibles		361	290	183
Other		..	..	..
<b>Total non-current assets</b>		<b>634,880</b>	<b>644,658</b>	<b>663,606</b>
<b>TOTAL ASSETS</b>		<b>642,339</b>	<b>654,461</b>	<b>672,881</b>
<b>CURRENT LIABILITIES</b>				
Payables		1,990	2,324	1,900
Accrued employee benefits		2,563	2,740	2,740
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	7	..	..	2,881
<b>Total current liabilities</b>		<b>4,553</b>	<b>5,064</b>	<b>7,521</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>4,553</b>	<b>5,064</b>	<b>7,521</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>637,786</b>	<b>649,397</b>	<b>665,360</b>
<b>EQUITY</b>				
<b>TOTAL EQUITY</b>	8	<b>637,786</b>	<b>649,397</b>	<b>665,360</b>

# Cash flow statement

Queensland Museum	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
User charges and fees		11,837	12,546	10,439
Grants and other contributions		39,503	42,301	40,376
Interest and distribution from managed funds received		325	325	325
Taxes		..	..	..
Other		108	108	13
<b>Outflows:</b>				
Employee costs		(26,616)	(27,030)	(27,345)
Supplies and services		(21,778)	(24,296)	(22,107)
Grants and subsidies		(40)	(40)	(65)
Borrowing costs		..	..	..
Other		(532)	(650)	(579)
<b>Net cash provided by or used in operating activities</b>		<b>2,807</b>	<b>3,264</b>	<b>1,057</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		(2,272)	(2,489)	(7,273)
Payments for investments		..	..	..
Loans and advances made		..	..	..
<b>Net cash provided by or used in investing activities</b>		<b>(2,272)</b>	<b>(2,489)</b>	<b>(7,273)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		..	..	..
Equity injections		..	..	6,655
<b>Outflows:</b>				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		(926)	(926)	(926)
<b>Net cash provided by or used in financing activities</b>		<b>(926)</b>	<b>(926)</b>	<b>5,729</b>
<b>Net increase/(decrease) in cash held</b>		<b>(391)</b>	<b>(151)</b>	<b>(487)</b>
<b>Cash at the beginning of financial year</b>		<b>5,698</b>	<b>7,671</b>	<b>7,520</b>
Cash transfers from restructure		..	..	..
<b>Cash at the end of financial year</b>		<b>5,307</b>	<b>7,520</b>	<b>7,033</b>

# Explanation of variances in the financial statements

## Income statement

### Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:

1. A reduction in user charges and fees primarily due to lower exhibition and programing activities as a result of delays experienced for redevelopment projects.
2. An increase in grants and other contributions primarily due to additional limited life funding received from the State Government for specific projects, such as World Science Festival Brisbane.
3. An increase in supplies and services primarily due to specific projects that were not originally budgeted for and changed operational and programing requirements.

### Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:

4. A decrease in other revenue primarily due to changed tenancy arrangements in 2019-20.
5. A reduction in supplies and services primarily due to completion of specific projects offset partly by changes in operational and programing requirements.

## Balance sheet

### Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:

6. An increase in cash assets primarily due to higher than anticipated cash balances at the start of the year.

### Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:

7. An increase in other current liabilities primarily due to budgeting for first time adoption of new accounting standards, AASB 15 (Revenue from Contracts with Customers) and AASB 1058 (Income of Not-for-Profit Entities), effective from 1 July 2019.
8. An increase in equity primarily due to equity injection to be received in the new year to deliver an expanded research and biodiversity collection storage centre.

# Queensland Performing Arts Trust

## Overview

The Queensland Performing Arts Trust (QPAT) manages Queensland's flagship performing arts venue, the Queensland Performing Arts Centre (QPAC).

QPAT's vision is for QPAC to be a centre of inspiring arts for all Queenslanders. QPAT's purpose is to contribute to the social, cultural and intellectual development of Queenslanders.

QPAT's strategic direction is summarised by three objectives:

- deliver art that excites
- amplify audience engagement
- foster leadership, collaboration and entrepreneurship.

QPAT contributes to the Government's objectives for the community *Our Future State: Advancing Queensland's Priorities*:

- Give all our children a great start by connecting with young people through learning programs, live arts experiences and digital platforms which share stories relevant to our Queensland communities
- Keep communities safe by meeting industry standards for the safety and security of our community and workforce
- Create jobs in a strong economy by investing in quality programming and collaborating on exchanges of creative work that require a range of roles and expertise.

QPAT is recognised as a cultural leader and delivers artistic, social, economic and cultural returns. QPAT's contribution to the growth of public value can be seen through its diverse programming, which brings a range of exceptional experiences to wide audiences. QPAT's community engagement, education and participation programs help foster a community of the arts, and provide a breadth and depth of support to Queensland artists and arts companies.

In 2019-20, a full program of productions for a broad range of audiences will be presented at QPAC while construction commences on the fifth venue. In the coming years, QPAT's key focus is to grow its programming, audience reach and engagement across Queensland, which has been enhanced by a base funding increase of \$8 million over four years, which commenced in 2018-19.

## Service summary

In 2019-20, QPAT will:

- continue to work closely with design and construction infrastructure professionals and other experts to support the delivery of the new performing arts theatre to be constructed at QPAC
- extend the reach of programming by engaging regional audiences through touring programs and digital streaming and simulcasts
- provide detailed market intelligence to arts companies to increase the effectiveness of their audience development strategies
- present a Queensland exclusive season of the world-renowned Bolshoi Ballet, alongside an extensive program of events
- continue to work with First Nations artists and communities to deliver a rolling program of engagement, professional development and events including new initiatives, such as, *Seedlings*, *Footprints* and *Sparks*, exploring and creating new works in dance, writing and music
- deliver a broad program of musical theatre including *Chicago*, *The Book of Mormon*, *School of Rock* and *Muriel's Wedding*
- work with Arts Queensland to deliver an improved Stage Door and security hub at QPAC, lighting upgrades and technical production safety improvements
- develop a long-term program for renewal, replacement and enhancement of operational infrastructure and equipment to ensure ongoing functionality and improved sustainability.

# Service performance

## Queensland Performing Arts Trust

### Service Area Objective

To engage all Queenslanders through an inspiring, diverse and relevant performing arts program.

### Description

QPAC:

- delivers exceptional live performance and learning experiences for Queenslanders and visitors
- manages the venues within QPAC to generate arts outcomes for the state through positive commercial returns
- curates an annual live performance program that includes QPAC variously as a producer, presenter, venue or investor and features production of local, national and international companies. The specially tailored program enhances lifelong learning through art.

### Staffing<sup>1,2,3</sup>

2018-19 Budget	2018-19 Estimated Actual	2019-20 Budget
340	360	360

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. The increase in the 2018-19 Estimated Actual is due to increased direct casual employment in production, visitor and hospitality services; engagement of First Nations employees to deliver QPAC's Indigenous programming; and specific technical skills to support the delivery of the New Performing Arts Venue project. QPAC's staffing establishment currently includes over 35% casual employees, with levels fluctuating considerably due to varying demand.
3. In 2019-20, it is projected that these FTE levels will be sustained.

Queensland Performing Arts Trust	2018-19 Target/Est	2018-19 Est Actual	2019-20 Target/Est
<b>Service standards</b>			
<i>Effectiveness measures</i>			
Audience satisfaction with programming <sup>1</sup>	95%	95%	95%
Visits to QPAC onsite <sup>2</sup>	1.3 million	1.4 million	1.3 million
<i>Efficiency measures</i>			
Venue utilisation <sup>3</sup>	84%	84%	84%
Non-government revenue as a percentage of total revenue <sup>4</sup>	85%	85%	85%

Notes:

1. Audience satisfaction measures the degree to which service delivery meets the expectations of users. The measure indicates overall audience satisfaction with programming. The audience survey is based on the Queensland Government *Performance Management Framework Measuring Customer Experience Reference Guide* published by the Department of the Premier and Cabinet.
2. This service standard is considered the best available proxy measure of effectiveness for the service area objective, due to its ability to infer public value, relevance, community perception and international standing. It includes ticketed attendance as well as attendance at free events and exhibitions. The 2018-19 Estimated Actual exceeds the 2018-19 Target/Estimate due to larger than expected attendances at performances and events. The 2019-20 Target/Estimate has been determined on the basis of visits reverting to the previous level.
3. This service standard is an indicator of the use being made of QPAC's four theatres. The measure is an indicator of QPAC's efficiency in venue management and ability to ensure supply to theatres.
4. This service standard includes revenue earned through the operation of commercial services (venue hire, ticketing, food and beverage) and revenue contributed through sponsorship and philanthropic programs.

# Income statement

Queensland Performing Arts Trust	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>INCOME</b>				
Taxes		..	..	..
User charges and fees	1,9	48,030	55,369	46,048
Grants and other contributions	2,10	18,673	19,963	18,185
Interest and distributions from managed funds	3,11	748	918	991
Other revenue	4,12	1,289	830	1,156
Gains on sale/revaluation of assets		..	..	..
<b>Total income</b>		<b>68,740</b>	<b>77,080</b>	<b>66,380</b>
<b>EXPENSES</b>				
Employee expenses	5	31,313	32,911	33,912
Supplies and services	6,13	36,312	41,227	31,019
Grants and subsidies		..	..	..
Depreciation and amortisation	7,14	952	1,010	1,099
Finance/borrowing costs		..	..	..
Other expenses	8	163	343	350
Losses on sale/revaluation of assets		..	..	..
<b>Total expenses</b>		<b>68,740</b>	<b>75,491</b>	<b>66,380</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>..</b>	<b>1,589</b>	<b>..</b>

# Balance sheet

Queensland Performing Arts Trust	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>CURRENT ASSETS</b>				
Cash assets	15	10,754	15,620	15,709
Receivables	22	2,781	2,651	2,906
Other financial assets		..	..	..
Inventories	16	308	326	336
Other	17	702	208	213
Non-financial assets held for sale		..	..	..
<b>Total current assets</b>		<b>14,545</b>	<b>18,805</b>	<b>19,164</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	18	12,694	12,788	12,909
Intangibles	19,23	467	588	368
Other		..	..	..
<b>Total non-current assets</b>		<b>13,161</b>	<b>13,376</b>	<b>13,277</b>
<b>TOTAL ASSETS</b>		<b>27,706</b>	<b>32,181</b>	<b>32,441</b>
<b>CURRENT LIABILITIES</b>				
Payables		5,401	5,467	5,717
Accrued employee benefits	20	1,246	1,975	1,965
Interest bearing liabilities and derivatives		..	6	6
Provisions		..	..	..
Other	21	343	580	600
<b>Total current liabilities</b>		<b>6,990</b>	<b>8,028</b>	<b>8,288</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>6,990</b>	<b>8,028</b>	<b>8,288</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>20,716</b>	<b>24,153</b>	<b>24,153</b>
<b>EQUITY</b>				
<b>TOTAL EQUITY</b>		<b>20,716</b>	<b>24,153</b>	<b>24,153</b>

# Cash flow statement

Queensland Performing Arts Trust	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
User charges and fees		51,768	59,878	49,903
Grants and other contributions		10,860	12,354	10,576
Interest and distribution from managed funds received		748	918	991
Taxes		..	..	..
Other		3,404	3,755	3,321
<b>Outflows:</b>				
Employee costs		(31,323)	(32,921)	(33,922)
Supplies and services		(30,435)	(36,346)	(25,395)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(3,961)	(4,626)	(4,385)
<b>Net cash provided by or used in operating activities</b>		<b>1,061</b>	<b>3,012</b>	<b>1,089</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		(1,000)	(1,500)	(1,000)
Payments for investments		..	..	..
Loans and advances made		..	..	..
<b>Net cash provided by or used in investing activities</b>		<b>(1,000)</b>	<b>(1,500)</b>	<b>(1,000)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		..	..	..
Equity injections		..	..	..
<b>Outflows:</b>				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
<b>Net cash provided by or used in financing activities</b>		<b>..</b>	<b>..</b>	<b>..</b>
<b>Net increase/(decrease) in cash held</b>		<b>61</b>	<b>1,512</b>	<b>89</b>
<b>Cash at the beginning of financial year</b>		<b>10,693</b>	<b>14,108</b>	<b>15,620</b>
Cash transfers from restructure		..	..	..
<b>Cash at the end of financial year</b>		<b>10,754</b>	<b>15,620</b>	<b>15,709</b>



# Explanation of variances in the financial statements

## Income statement

### Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:

1. An increase due to the presentation of a major co-production that was not budgeted.
2. An increase in State Government funding for the QPAC Venue Functionality and Lighting Upgrade project, and capital acquisitions.
3. An increase due to a higher value of ticket sales held and invested.
4. A decrease due to lower than expected sponsorship revenue.
5. An increase due to increased direct casual employment in production, visitor and hospitality services, engagement of First Nations employees to deliver QPAC's Indigenous programming, and specific technical skills to support the delivery of the New Performing Arts Venue project.
6. An increase due to the presentation of a major co-production that was not budgeted.
7. An increase due to higher than planned capital expenditure during the year.
8. An increase due to a reclassification of insurance costs from Other supplies and services.

### Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:

9. A decrease due to the presentation of a major co-production that was not budgeted in the prior year and lower expected activity.
10. A decrease, as the State Government funding for the QPAC Venue Functionality and Lighting Upgrade project, and capital acquisitions in the prior year was non-recurring.
11. An increase due to a higher value of funds held and invested.
12. An increase due to expected sponsorship revenue and investments in touring productions.
13. A decrease due to the presentation of a major co-production that was not budgeted in the prior year and lower expected activity.
14. An increase due to higher capital expenditure during the current year.

## Balance sheet

### Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:

15. An increase due to recovery of receivables from major musicals, timing of payment of payables and receipt of State Government funding for capital projects.
16. An increase in food and beverage holdings to support seasonal demand.
17. A decrease due to prepayments in the prior year for a major international series event.
18. An increase due to higher level of capital purchases than expected.
19. An increase due to higher level of intangible asset purchases than expected.
20. An increase due to less leave taken by staff than anticipated.
21. An increase due to higher unearned QPAC membership revenues.

### Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:

22. An increase due to recovery of receivables from major musicals.
23. A decrease due to a reduction in planned expenditure on intangible assets, such as computer software, for the year.

# Shared service provider

## Corporate Administration Agency

### Overview

The Corporate Administration Agency (CAA) provides corporate services under service level agreements (SLAs) to Queensland public sector entities, principally statutory bodies.

CAA's vision is to meet customers' corporate services requirements through the provision of services, in accordance with agreed SLAs, and easy and convenient access to business applications. CAA's key objective is to assist customers in the achievement of business goals by providing value for money and effective services. CAA's operational planning focuses on engagement with customers to identify innovations to improve the delivery and cost of services.

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

CAA delivers:

- human resource management and consulting
- payroll and recruitment services
- financial management and transactional services
- information management services, including information technology and business systems.

CAA operates in a dynamic market as machinery-of-government arrangements have significant and recurring impacts on the resourcing model. CAA charges customers on a full cost-recovery basis with fees based on the relative usage of CAA's resources to deliver the service.

### Service summary

CAA will continue to focus on implementing business improvements, in particular providing self-service opportunities for CAA's staff and customers. Expansion of CAA's customer base will be enabled by the achievement of improved automation and efficiencies.

In 2019-20, CAA will:

- provide value for money and enhanced services to customers, with a continued focus on innovation and automation of business processes, and responsible fiscal and resource management
- deliver better access to data and information for customers through improved self-service and technology, supporting flexible working with appropriate privacy, security and record keeping controls
- provide enhanced information through the implementation of data analytics and business intelligence across multiple customer data sources
- continue to increase the functional capacity of the integrated job recording and tracking system to improve customer experience and productivity of service delivery.

# Service performance

## Corporate Administration Agency

### Service Area Objective

To meet the corporate services requirements of Corporate Administration Agency's (CAA's) customers through the provision of services, in accordance with agreed service level agreements, and easy and convenient access to business applications.

### Description

CAA:

- provides corporate services to small to medium sized Queensland Government entities and statutory bodies
- provides ad hoc services to other government entities as requested
- charges customers on a full cost-recovery basis with fees based on the relative usage of CAA's resources to deliver the service.

### Staffing<sup>1</sup>

2018-19 Budget	2018-19 Estimated Actual	2019-20 Budget
76	76	76

Note:

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

Corporate Administration Agency	2018-19 Target/Est	2018-19 Est Actual	2019-20 Target/Est
<b>Service standards</b>			
<i>Effectiveness measures</i>			
Customer satisfaction with CAA services <sup>1</sup>	75%	95%	85%
Customers consider CAA services are value for money <sup>2</sup>	90%	100%	95%
<i>Efficiency measures</i>			
CAA operating surplus/(deficit) <sup>3</sup>	Break even	Break even	0%
Unit rate per employee per pay for salary-based employees <sup>4</sup>	New measure	New measure	≤\$15.85

Notes:

1. Overall customer satisfaction is measured through the CAA annual customer experience survey. The survey includes questions relating to accessibility, quality and timeliness of service delivery as well as overall satisfaction with CAA's services. Measurement of customer satisfaction aligns with the Queensland Government *Performance Management Framework Measuring Customer Experience Reference Guide* published by the Department of the Premier and Cabinet. The survey results reflect continued improvements in service delivery and client relationships. The 2019-20 Target/Estimate has increased to 85%.
2. This service standard informs on the overall satisfaction on value for money derived from the annual customer experience survey undertaken by key stakeholders. Measurement of customer satisfaction aligns with the Queensland Government *Performance Management Framework Measuring Customer Experience Reference Guide* published by the Department of the Premier and Cabinet. The 2019-20 Target/Estimate has increased to 95%.
3. Results for this service standard indicate that CAA is managing its resources to provide economical pricing to customers. The 2019-20 Target/Estimate has been amended to enable performance to be reported as a percentage of the overall budget rather than as a dollar value, in order to provide a more meaningful result. The calculation methodology has not changed.
4. This service standard provides an indication of the efficiency of the Human Resources payroll service. The measure aims to demonstrate that payroll processing costs are maintained within the greater of consumer price index or enterprise bargaining salary increases. The unit rate is determined by the total cost of payroll processing staff and management oversight (including salaries, overtime, on-costs and

overheads), divided by the maximum number of salary-based employees to be paid. The unit rate includes establishment of new records, establishment management within the payroll system, enquiries, stop pays, modifications to personal records, termination of employees, payroll adjustments as required and any other changes that impact an employee's pay. The rate is determined annually and applies for the financial year. The actual result may vary due to extraordinary costs, which were not anticipated at the time that the annual unit rate was set, for example, if an enterprise bargaining adjustment is higher or lower than expected.

## Discontinued measures

Performance measures included in the *2018-19 Service Delivery Statements* that have been discontinued or replaced are reported in the following table with estimated actual results.

<b>Corporate Administration Agency</b>	<b>2018-19 Target/Est</b>	<b>2018-19 Est Actual</b>	<b>2019-20 Target/Est</b>
CAA annual unit pricing does not exceed the greater of consumer price index or public service award increase <sup>1</sup>	75%	75%	Discontinued measure

Note:

1. This service standard has been discontinued as CAA's products and services are continually changing due to customer needs. Therefore, it is difficult to compare product unit pricing from year to year. The measure will no longer be reported.

# Income statement

Corporate Administration Agency	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>INCOME</b>				
User charges and fees	1	10,894	10,894	11,016
Grants and other contributions		81	81	81
Interest and distributions from managed funds		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
<b>Total income</b>		<b>10,975</b>	<b>10,975</b>	<b>11,097</b>
<b>EXPENSES</b>				
Employee expenses		7,895	7,895	7,987
Supplies and services		2,845	2,845	2,903
Grants and subsidies		..	..	..
Depreciation and amortisation		..	..	..
Finance/borrowing costs		..	..	..
Other expenses	2	235	235	207
Losses on sale/revaluation of assets		..	..	..
<b>Total expenses</b>		<b>10,975</b>	<b>10,975</b>	<b>11,097</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>..</b>	<b>..</b>	<b>..</b>

# Balance sheet

Corporate Administration Agency	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>CURRENT ASSETS</b>				
Cash assets		3,998	3,786	3,888
Receivables	3,8	473	965	697
Other financial assets		..	..	..
Inventories		..	..	..
Other	4,9	805	639	839
Non-financial assets held for sale		..	..	..
<b>Total current assets</b>		<b>5,276</b>	<b>5,390</b>	<b>5,424</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		..	..	..
Intangibles		..	..	..
Other		..	..	..
<b>Total non-current assets</b>		<b>..</b>	<b>..</b>	<b>..</b>
<b>TOTAL ASSETS</b>		<b>5,276</b>	<b>5,390</b>	<b>5,424</b>
<b>CURRENT LIABILITIES</b>				
Payables	5,10	398	342	276
Accrued employee benefits	6	264	336	336
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	7,11	157	211	311
<b>Total current liabilities</b>		<b>819</b>	<b>889</b>	<b>923</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>819</b>	<b>889</b>	<b>923</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>4,457</b>	<b>4,501</b>	<b>4,501</b>
<b>EQUITY</b>				
<b>TOTAL EQUITY</b>		<b>4,457</b>	<b>4,501</b>	<b>4,501</b>

# Cash flow statement

Corporate Administration Agency	Notes	2018-19 Budget \$'000	2018-19 Est. Act. \$'000	2019-20 Budget \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
User charges and fees		10,172	11,172	11,194
Grants and other contributions		81	81	81
Interest and distribution from managed funds received		..	..	..
Other		724	724	745
<b>Outflows:</b>				
Employee costs		(7,895)	(7,895)	(7,987)
Supplies and services		(2,877)	(3,877)	(3,724)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(235)	(235)	(207)
<b>Net cash provided by or used in operating activities</b>		<b>(30)</b>	<b>(30)</b>	<b>102</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		..	..	..
<b>Outflows:</b>				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
<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>(30)</b>	<b>(30)</b>	<b>102</b>
<b>Cash at the beginning of financial year</b>		<b>4,028</b>	<b>3,816</b>	<b>3,786</b>
Cash transfers from restructure		..	..	..
<b>Cash at the end of financial year</b>		<b>3,998</b>	<b>3,786</b>	<b>3,888</b>



# Explanation of variances in the financial statements

## Income statement

### Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:

1. An increase in user charges due to an expected increase in service provision.
2. A decrease in other expenses due to a reduction in bank fees resulting from transaction number efficiencies.

## Balance sheet

### Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:

3. An increase in receivables due to a revised estimate of balances due at the end of financial year.
4. A decrease in other current assets due to a reduction in prepaid expenses.
5. A decrease in payables due to a revised estimate of balances as at the end of financial year.
6. An increase in employee entitlements due to timing of accrued leave entitlements and leave taken by employees and enterprise bargaining arrangements.
7. An increase in other current liabilities due to a revised estimate of unearned revenue at the end of financial year.

### Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:

8. A decrease in receivables due to improved collection management.
9. An increase in other current assets is due to an increase in prepaid expenditure associated with payments for software as a service.
10. A decrease in payables due to a revised estimate at the end of financial year.
11. An increase in other current liabilities due to an increase in unearned revenue associated with software as a service.

# 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: <ul style="list-style-type: none"> <li>• delivery of agreed services</li> <li>• administered items</li> <li>• adjustment of the Government's equity in agencies, including acquiring of capital.</li> </ul>
<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>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.
<b>Service area</b>	Related services grouped into a high level service area for communicating the broad types of services delivered by an agency.
<b>Service standard</b>	Define a level of performance that is expected to be achieved appropriate for the service area or service. Service standards are measures of efficiency or effectiveness.





Queensland Budget 2019–20

**Service Delivery Statements**

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