

# **SERVICE DELIVERY STATEMENTS**

**Department of National Parks,  
Sport and Racing**

# 2017-18 Queensland Budget Papers

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

Appropriation Bills

Budget Highlights

The Budget Papers are available online at  
[budget.qld.gov.au](http://budget.qld.gov.au)

© Crown copyright  
All rights reserved  
Queensland Government 2017

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

## **Service Delivery Statements**

ISSN 1445-4890 (Print)

ISSN 1445-4904 (Online)



**Queensland**  
Government

## Department of National Parks, Sport and Racing

### Summary of portfolio

| Page | Department of National Parks, Sport and Racing                |
|------|---|
| 2    | Department of National Parks, Sport and Racing - controlled   |
|      | Department of National Parks, Sport and Racing - administered |

---

# Portfolio overview

## Ministerial and portfolio responsibilities

The table below represents the agencies and services which are the responsibility of the Minister for Environment and Heritage Protection and Minister for National Parks and the Great Barrier Reef, the Minister for Housing and Public Works and Minister for Sport, and the Minister for Employment and Industrial Relations, Minister for Racing and Minister for Multicultural Affairs:

|  |
|--|
| <p><b>Minister for Environment and Heritage Protection and<br/>Minister for National Parks and the Great Barrier Reef</b></p> <p>The Honourable Dr Steven Miles MP</p> |
|--|

|  |
|--|
| <p><b>Minister for Housing and Public Works and Minister for Sport</b></p> <p>The Honourable Mick de Brenni MP</p> |
|--|

|   |
|---|
| <p><b>Minister for Employment and Industrial Relations, Minister for<br/>Racing and Minister for Multicultural Affairs</b></p> <p>The Honourable Grace Grace MP</p> |
|---|

|   |
|---|
| <p><b>Department of National Parks, Sport and Racing</b></p> <p>Director-General: Tamara O'Shea</p> |
| <p><b>Service area 1:</b> National Parks</p>  |
| <p><b>Service area 2:</b> Sport and Recreation</p>  |
| <p><b>Service area 3:</b> Racing</p>  |

Additional information can be sourced from [www.npsr.qld.gov.au](http://www.npsr.qld.gov.au)

# Departmental overview

The Department of National Parks, Sport and Racing's vision is that Queenslanders are enriched and connected through healthy parks and active lifestyles.

Consistent with this vision, the department supports the Government's commitments through protecting and managing our parks, forests and the Great Barrier Reef for current and future generations, supporting and encouraging participation in physical activity through sport and active recreation, and supporting the Queensland racing industry.

The department's objectives are that:

- Queensland's outstanding parks and forests are protected, enjoyed and cherished
- Queenslanders improve their health and wellbeing through lifelong physical activity and community connection
- the department is a cohesive, capable and agile, customer-centric organisation delivering public value.

The department contributes to the Queensland Government's objectives for the community through its service areas:

## National Parks

- Implementing the Queensland Ecotourism Plan; supporting regional tourism on parks and forests; and supporting partnerships with Traditional Owners for services on protected areas.
- Delivering quality frontline services by providing customer-focused visitor experiences on parks and forests.
- Protecting the environment by: managing parks and forests to sustain natural and cultural values; and protecting and maintaining marine and island ecosystems through the Great Barrier Reef joint field management program.
- Building safe, caring and connected communities by engaging with Traditional Owners and the community in managing parks and forests, disaster preparedness and recovery.

## Sport and Recreation

- Supporting and encouraging greater participation in physical activity through sport and active recreation.
- Delivering quality frontline services by providing programs, workshops and resources to encourage all Queenslanders to be more physically active.
- Building safe, caring and connected communities by supporting sport and active recreation across all regions to enhance participation, particularly for children and young people, disadvantaged groups and women and girls.
- Optimising performance of elite athletes and rising stars through local, specialised coaching and training facilities.

## Racing

- Striving to deliver a sustainable Queensland racing industry.
- Building safe, caring and connected communities by supporting country racing.

In 2017-18, the department's key priorities and new initiatives are to:

- enhance nature-based tourism opportunities and the management of the State's national parks to maintain the breadth and quality of visitor experiences
- upgrade facilities at Daisy Hill Koala Bushland precinct in preparation for the Gold Coast 2018 Commonwealth Games
- review and deliver programs and services that support increased participation in grassroots sport and active recreation, including community participation projects and investment in sport and recreation infrastructure
- support Queensland Academy of Sport elite athletes' preparations for the Gold Coast 2018 Commonwealth Games
- administer funding for racing infrastructure projects across the three codes of racing.

Environmental factors and key challenges impacting on the department include:

- fostering new ways for parks and forests to support regional jobs and sustainable ecotourism, and sport and recreation industries
- working collaboratively with other Queensland and Australian government agencies to improve the health of the Great Barrier Reef
- increasing participation in sport and active recreation, particularly for grassroots sport and women and girls, and encouraging all Queenslanders to incorporate physical activity into their daily routine
- maintaining knowledge of competitive forces in the racing industry, including new technologies, new wagering opportunities, and alternative leisure and entertainment choices.

# Service performance

## Performance statement

### National Parks

#### Service area objective

Management of our parks and forests sustains natural and cultural values, builds environmental resilience to ensure healthy species and ecosystems, and facilitates ecotourism, recreation and heritage experiences.

#### Service area description

The service area:

- conserves natural and cultural values on parks and forests, including through fire, pest and weed management
- facilitates ecotourism, recreation and heritage experiences within parks and forests, including building and maintaining visitor and tourism infrastructure
- provides protected area services with Traditional Owners and Indigenous communities, including the implementation of Indigenous joint management plans and agreements
- manages parks and forests permissions, including administering permits and authorities for tourism, infrastructure and sustainable resource use, and delivering a streamlined permit system
- delivers field management in the Great Barrier Reef in partnership with the Australian Government.

#### 2017-18 service area highlights

- Provide additional funding of \$40 million over two years from 2017-18 to revitalise national parks and enhance nature-based opportunities and management of parks.
- In preparation for the Gold Coast 2018 Commonwealth Games (GC2018) provide funding of \$3.3 million over two years, including additional funding of \$2.3 million, from 2016-17 to improve and upgrade facilities in the Daisy Hill Koala Bushland precinct.
- Allocate increased funding of \$1.3 million over three years, commencing in 2018-19, to support the operation of an additional vessel for the Great Barrier Reef Joint Field Management Program.
- Partner with the Department of Environment and Heritage Protection to progress a long-term protected area strategy for the acquisition and management of the protected area estate.
- Improve customer experience in the online booking service for camping and vehicle access permits to promote self-service via online bookings.
- Deliver joint management arrangements in the North Stradbroke Island area, including Naree Budjong Djara National Park, and on Cape York Peninsula Aboriginal land national parks.
- Deliver departmental contributions to the Reef 2050 Long-Term Sustainability Plan, including the Raine Island recovery project.
- Work with the Australian Government to ensure a sustainable forward funding framework for the Great Barrier Reef Field Management Program.
- Implement departmental initiatives in the Queensland Ecotourism Plan, including ecotourism facilities proposals and the Queensland Eco and Sustainable Tourism initiative on protected areas.
- Progress Significant Regional Infrastructure Projects Program initiatives to redevelop Mon Repos Turtle Centre and expand the public mooring and reef protection program in the Great Barrier Reef World Heritage Area.
- Advance protected area management frameworks, including management planning instruments, management effectiveness evaluation, and levels of service.
- Review, remake and amend, where necessary, legislation and policy supporting the management of marine and terrestrial protected areas.
- Continue preparation of the ex-HMAS Tobruk as a regional tourism dive destination for the Wide Bay area.
- Progress towards an integrated permit management solution for parks and forests.

- Deliver appropriate management capability including planning instruments, rangers and infrastructure in newly dedicated national parks.
- Partner with industry and the community to deliver shared portfolio outcomes throughout regional Queensland, including events and activities on parks and forests with active recreation, tourism and economic benefits.
- Progress a framework to guide management and identify recreation and tourism opportunities at Daisy Hill Koala Bushland precinct.

| Department of National Parks, Sport and Racing   | Notes | 2016-17 Target/Est. | 2016-17 Est. Actual | 2017-18 Target/Est. |
|--|-------|---------------------|---------------------|---------------------|
| <b>Service area: National Parks</b>  |       |                     |                     |                     |
| <b>Service standards</b>   |       |                     |                     |                     |
| <i>Effectiveness measures</i>  |       |                     |                     |                     |
| Percentage of the Protection and Wildfire Mitigation Zones fuel management treatment target achieved on Queensland Parks and Wildlife Service (QPWS) managed estate to protect life and property | 1     | New measure         | New measure         | 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  | 2     | 630,000 ha          | 630,000 ha          | 632,000 ha          |
| Number of overnight camper stays hosted on national parks and forests  | 3     | 1.3 million         | 1.4 million         | 1.4 million         |
| <i>Efficiency measure<sup>4</sup></i>  |       |                     |                     |                     |

Notes:

1. This new service standard focuses on protecting key community interests from the threat of wildfire, through planned burning and other fuel management treatments (including mowing, slashing and mulching), prioritising specifically identified critical areas close to residences and other urban zones. It measures the effectiveness of QPWS's fire program in meeting its legislative and social obligations to protect life and property.
2. This service standard reflects the 2009 Victorian Bushfires Royal Commission recommendation that a 5% target for prescribed burning of the state should be established. The 2017-18 Target/Estimate is 632,000 hectares, reflecting approximately 5% of the QPWS managed estate as at 31 December 2016 (not including the 301,000 hectares of State Plantation Forests under licence to HQ Plantations Pty Ltd). 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. 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'.
3. This service standard measures how effectively the department achieves the service area objective of facilitating access to ecotourism, recreation and heritage experiences in parks and forests. The 2017-18 Target/Estimate has been adjusted to reflect improved performance. While camping statistics are influenced by a range of factors including the tourism economy and extreme weather events, departmental programs aimed at supporting sustainable ecotourism and recreation use and improved visitor experiences are expected to maintain or increase overnight camper stays.
4. An efficiency measure is being developed for this service area and will be included in a future *Service Delivery Statement*.

## **Sport and Recreation**

### **Service area objective**

Support and encourage participation in physical activity through sport and active recreation.

### **Service area description**

The service area is responsible for a wide range of initiatives including:

- developing and delivering a suite of funding programs to support community sport and active recreation needs
- providing education and training programs that contribute to building the capacity of the sport and recreation sector
- providing resources for parents, carers and teachers aimed at encouraging all Queenslanders, particularly young people, to be more physically active
- managing purpose-built sport and active recreation facilities, including the Queensland Recreation Centres
- developing and supporting elite athletes at the Queensland Academy of Sport.

### **Services**

- Community support (programs to fund participation, develop infrastructure and build capacity)
- Facilities (operate sport and recreation venues)
- Queensland Academy of Sport (develop high performance sport and athletes)

### **2017-18 service area highlights**

- Provide increased funding of \$20.6 million over four years from 2017-18 to support Stadiums Queensland and enhance management of the State's premier sporting facilities.
- Support grassroots sport and recreation participation by committing \$64.3 million in 2017-18 across a variety of funding programs focused around individual participation, local club and organisation capacity development, delivery of community participation projects and development of sport and recreation places and spaces. This investment in sport and recreation infrastructure and services supports jobs in regional Queensland and throughout the state.
- Work with industry and key partners to enhance statewide capabilities and deliver quality sport and recreation services, to increase participation of all Queenslanders, including \$10.8 million in 2017-18 of the three-year \$32 million State Development Program.
- Maintain our commitment to delivering quality sport and recreation participation opportunities across 38 discrete Indigenous communities, with dedicated funding of \$4.9 million in 2017-18 under the Indigenous Community Sport and Recreation Program and the Torres Strait Community Sport and Recreation Program, as well as improving access to and the quality of facilities and infrastructure, to encourage all Indigenous Queenslanders to increase their participation in sport and recreation.
- Allocate \$15 million over two years from 2017-18 to deliver female friendly change facilities, including an additional \$2 million in new funding.
- Continue to deliver on recommendations from the Start Playing, Stay Playing report to promote and encourage women and girls to participate in sport and active recreation.
- Support the planning and delivery of fit-for-purpose sport and recreation infrastructure across our local, regional and remote communities.
- Deliver approved projects under the Sport and Recreation Planning Program in partnership with councils and state sporting organisations to ensure community needs and access barriers are addressed.
- Partner with the Department of Education and Training to increase community use of schools for sport and recreation.
- Support Queensland athletes through the Queensland Academy of Sport in their preparations for the GC2018.



| Department of National Parks, Sport and Racing   | Notes | 2016-17 Target/Est. | 2016-17 Est. Actual | 2017-18 Target/Est. |
|--|-------|---------------------|---------------------|---------------------|
| <b>Service area: Sport and Recreation</b>  |       |                     |                     |                     |
| <b>Service: Community support</b>  |       |                     |                     |                     |
| <b>Service standards</b><br><i>Effectiveness measures</i><br>Participants' overall satisfaction with the department's education and training programs        | 1     | 90%                 | 95%                 | 90%                 |
| Percentage of young people redeeming a Get Started voucher who have not played club sport before   | 2     | 20%                 | 15%                 | 15%                 |
| <i>Efficiency measure</i><br>Grant monies paid as a percentage of the total grant budget   | 3     | 80%                 | 100%                | 80%                 |
| <b>Service: Facilities</b>   |       |                     |                     |                     |
| <b>Service standards</b><br><i>Effectiveness measure</i><br>Utilisation of Queensland Recreation Centres accommodation facilities                            | 4     | 42%                 | 44%                 | 42%                 |
| <i>Efficiency measure</i><br>Queensland Recreation Centres operational bed cost per night  | 5     | <\$45               | \$44                | <\$45               |
| <b>Service: Queensland Academy of Sport</b>  |       |                     |                     |                     |
| <b>Service standards</b><br><i>Effectiveness measures</i><br>Percentage of athletes selected for national teams supported by the Queensland Academy of Sport | 6     | 25%                 | 26%                 | 25%                 |
| Co-contribution ratio of partnership investment to the Queensland Academy of Sport investment in grants research projects                                    | 7     | 1:1                 | 1:2                 | 1:1                 |
| <i>Efficiency measures</i> <sup>8</sup>  |       |                     |                     |                     |

Notes:

1. This service standard measures participants' overall satisfaction with the department's Building Active Communities Workshops and Get Active Queensland Accreditation Program. Sport and Recreation Services continues to exceed the expectations of participants.
2. This service standard measures the effectiveness of the Get Started Vouchers program. The actual result for 2016-17 (representing the 2016 calendar year), for Get Started Vouchers rounds 7 and 8, is 15%. This result reflects the previous success of the program in attracting children and young people, thereby reducing the proportion of eligible applicants who have not played club sport before. The 2017-18 Target/Estimate has therefore been reduced from 20% to 15%. As the program operates on a calendar year basis, the 2017-18 Target/Estimate will relate to the 2017 calendar year.
3. This service standard measures the efficiency of the department's project management in delivering grant funding to organisations as a percentage of the total grant budget. Performance for this service standard is calculated using the total grant funding delivered to clients divided by the total grant budget (within administrative guidelines). This measure captures the grants programs that are delivered as part of the ongoing core suite of Sport and Recreation business and does not include funding for one-off grants, pilot project grants, sponsorships or scholarships. New programs will be added to the portfolio as they are developed. The 2016-17 Estimated Actual is higher than anticipated due to early identification of project cash flow, providing for release of project funds to coincide with project delivery.
4. This service standard measures the effectiveness of the Queensland Recreation Centres, located at the Sunshine Coast (Currumbundi) and the Gold Coast (Tallebudgera), in achieving maximum utilisation of accommodation facilities. Performance is calculated using the operational bed nights occupied as a percentage of total available operational bed nights. The 2017-18 Target/Estimate takes into consideration, amongst other items, occupancy standards that apply to school and non-school use and reflect acceptable social norms of shared accommodation, such as gender and age mix.

5. This service standard measures the efficiency of the Queensland Recreation Centres in providing accommodation facilities to schools, sporting groups and the wider community. Performance is calculated using total recreation centre costs (including employee expenses and supplies and services) less highly variable and non-related costs (such as building maintenance, program and leisure centre staff, and catering), divided by operational bed night occupancy, to provide operational bed cost per night. The 2017-18 Target/Estimate takes into consideration, amongst other items, occupancy standards that apply to school and non-school use and reflect acceptable social norms of shared accommodation, such as gender and age mix.
6. This service standard measures the effectiveness of the Queensland Academy of Sport (QAS) in achieving its goal to have Queensland athletes represented in national teams. Queensland athletes participated in events winning two gold, six silver and six bronze medals at the 2016 Olympics, representing 48% of the medals won by Australia. Queensland athletes participated in events winning seven gold, eight silver and 11 bronze medals at the 2016 Paralympics, representing 32% of the medals won by Australia.
7. This service standard measures how effectively QAS grant research resources are leveraged to form successful grant research partnerships, to achieve greater research outcomes. This service standard was previously reported as an efficiency measure in the 2016-17 *Service Delivery Statements*. During 2016-17, QAS has exceeded expectations in the funding of collaborative research projects.
8. An efficiency measure is being developed for this service and will be included in a future *Service Delivery Statement*.

## Racing

### Service area objective

Administer the *Racing Act 2002* and manage programs to support a viable, prosperous racing industry in Queensland.

### Service area description

The service area:

- provides policy advice to Government on matters relevant to the commercial operation and viability of the racing industry
- administers programs related to the provision of Queensland Government funding to the racing industry.

The Racing service area excludes the Queensland Racing Integrity Commission and Racing Queensland, which are separate statutory bodies.

### 2017-18 service area highlights

- Provide policy advice to the Minister for Racing to support renewal and growth in Queensland's racing industry.
- Provide \$6 million (of \$21 million over four years from 2016-17) for the Country Racing Support Program (CRSP) to support country racing.
- Administer \$25 million for racing infrastructure projects across the three codes of racing.

| Department of National Parks, Sport and Racing  | Notes | 2016-17 Target/Est. | 2016-17 Est. Actual | 2017-18 Target/Est. |
|---|-------|---------------------|---------------------|---------------------|
| <b>Service area: Racing</b>   |       |                     |                     |                     |
| <b>Service standards</b>  |       |                     |                     |                     |
| <i>Effectiveness measure</i><br>Percentage of country race meetings in the approved schedule that are conducted | 1     | New measure         | New measure         | 95%                 |
| <i>Efficiency measure</i><br>Grant monies paid as a percentage of the total non-capital grant budget            | 2     | New measure         | New measure         | 100%                |

Notes:

1. The CRSP supports the continued provision of country race meetings. Under the CRSP Grant Deed, Racing Queensland will, by 30 April each year, provide the department with a schedule of each race meeting for the upcoming financial year of the program. The measure will report the proportion of meetings scheduled prior to commencement of the financial year that are actually held. A small proportion of meetings can be expected to be cancelled each year due to unpredictable causes such as weather events or unforeseen issues with infrastructure. This service standard measures the effectiveness of the department in supporting country racing through funding prize money to enable events to be held across the state.
2. This service standard measures the efficiency of the department's administration of grant funding to recipient organisation/s as a percentage of the total grant budget. Performance for this service standard is calculated using the total grant funding delivered to organisation/s divided by the total grant budget (within administration guidelines). This measure includes non-capital grant programs derived from departmental operating costs such as the CRSP and the Training Track Subsidy Scheme. It does not include capital grant funding such as the Racing Infrastructure Fund as it forms part of departmental administered funds.

## Discontinued measures

Performance measures included in the 2016-17 *Service Delivery Statements* that have been discontinued or replaced are reported in the following table with estimated actual results.

| Department of National Parks, Sport and Racing  | Notes | 2016-17 Target/Est. | 2016-17 Est. Actual | 2017-18 Target/Est.  |
|---|-------|---------------------|---------------------|----------------------|
| <b>Service area: National Parks</b>   |       |                     |                     |                      |
| Percentage of the Protection and Wildfire Mitigation Zones prescribed burning target achieved on Queensland Parks and Wildlife Service (QPWS) managed estate to protect life and property | 1     | 90%                 | 90%                 | Discontinued measure |
| Delivery of park management infrastructure projects on QPWS managed estate, as measured by the capital works activity index   | 2     | 80-100              | 80                  | Discontinued measure |
| Delivery of visitor and tourism facility infrastructure projects on QPWS managed estate, as measured by the capital works activity index  | 2     | 80-100              | 80                  | Discontinued measure |

Notes:

1. This service standard has been replaced by a new service standard which measures, in addition to prescribed burning, other fuel management treatments (including mowing, slashing and mulching) which can now be recorded and reported through the department's FLAME system.
2. This service standard is discontinued as it is not considered a measure of efficiency under the Queensland Government Performance Management Framework. The department will continue to report both qualitative and quantitative information relating to a broad range of park management and visitor facilities across Queensland's parks and forest estate through its Annual Report.

## Administered items

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

The Department of National Parks, Sport and Racing administers funds on behalf of the State, including for Stadiums Queensland. In 2017-18, the department will contribute on behalf of the Government \$31.8 million towards the operations of Stadiums Queensland to support the maintenance and operation of its international standard sporting and entertainment facilities.

During 2015-16 and 2016-17, the Government provided total funding of \$34 million to develop and build a \$44 million State netball facility at the Queensland Sports and Athletics Centre, in partnership with Netball Queensland and the Australian Government.

In 2016-17, the department received the second payment of the Exclusive Wagering Authority fee of \$30 million from UBET. A component of this fee was to deliver funds to support racing infrastructure developments through the Racing Infrastructure Fund. Future payments will be received in accordance with the timelines of the agreement, with the next payment due in 2020-21.

The department collects a range of regulatory fees associated with permits for commercial activity in or near parks. These fees are generally levied on members of the community or small business.

Financial statements and variance explanations in relation to administered items appear in the departmental financial statements.

# Departmental budget summary

The table below shows the total resources available in 2017-18 from all sources and summarises how resources will be applied by service area and by controlled and administered classifications.

| Department of National Parks, Sport and Racing | 2016-17<br>Adjusted Budget<br>\$'000 | 2016-17<br>Est. Actual<br>\$'000 | 2017-18<br>Budget<br>\$'000 |
|--|--------------------------------------|----------------------------------|-----------------------------|
| <b>CONTROLLED</b>                              |                                      |                                  |                             |
| <b>Income</b>                                  |                                      |                                  |                             |
| Appropriation revenue                          |                                      |                                  |                             |
| Deferred from previous year/s                  | 50,008                               | 36,194                           | 40,134                      |
| Balance of service appropriation               | 293,671                              | 243,416                          | 314,131                     |
| Other revenue                                  | 55,566                               | 66,500                           | 57,827                      |
| <b>Total income</b>                            | <b>399,245</b>                       | <b>346,110</b>                   | <b>412,092</b>              |
| <b>Expenses</b>                                |                                      |                                  |                             |
| National Parks                                 | 225,082                              | 206,762                          | 230,066                     |
| Sport and Recreation                           | 145,038                              | 122,546                          | 153,918                     |
| Racing   | 30,599                               | 11,188                           | 33,758                      |
| <b>Total expenses</b>                          | <b>400,719</b>                       | <b>340,496</b>                   | <b>417,742</b>              |
| <b>Operating surplus/deficit</b>               | <b>(1,474)</b>                       | <b>5,614</b>                     | <b>(5,650)</b>              |
| <b>Net assets</b>                              | <b>2,713,421</b>                     | <b>4,806,217</b>                 | <b>4,807,347</b>            |
| <b>ADMINISTERED</b>                            |                                      |                                  |                             |
| <b>Revenue</b>                                 |                                      |                                  |                             |
| Commonwealth revenue                           | ..                                   | ..                               | ..                          |
| Appropriation revenue                          | 50,401                               | 64,290                           | 31,819                      |
| Other administered revenue                     | 30,241                               | 30,241                           | 256                         |
| <b>Total revenue</b>                           | <b>80,642</b>                        | <b>94,531</b>                    | <b>32,075</b>               |
| <b>Expenses</b>                                |                                      |                                  |                             |
| Transfers to government                        | 30,241                               | 30,241                           | 256                         |
| Administered expenses                          | 50,401                               | 64,290                           | 31,819                      |
| <b>Total expenses</b>                          | <b>80,642</b>                        | <b>94,531</b>                    | <b>32,075</b>               |
| <b>Net assets</b>                              | <b>..</b>                            | <b>..</b>                        | <b>..</b>                   |

Note:

1. Appropriation revenue includes State and Commonwealth funding.

## Service area sources of revenue<sup>1</sup>

| Sources of revenue<br>2017-18 Budget              |                      |                                 |                                       |                               |                            |
|---|----------------------|---------------------------------|---------------------------------------|-------------------------------|----------------------------|
| Department of National Parks, Sport<br>and Racing | Total cost<br>\$'000 | State<br>contribution<br>\$'000 | User<br>charges<br>and fees<br>\$'000 | C'wealth<br>revenue<br>\$'000 | Other<br>revenue<br>\$'000 |
| National Parks                                    | 230,066              | 175,774                         | 26,916                                | 12,833                        | 9,768                      |
| Sport and Recreation                              | 153,918              | 144,733                         | 8,166                                 | ..                            | 144                        |
| Racing  | 33,758               | 33,758                          | ..                                    | ..                            |                            |
| <b>Total</b>                                      | <b>417,742</b>       | <b>354,265</b>                  | <b>35,082</b>                         | <b>12,833</b>                 | <b>9,912</b>               |

Note:

1. Explanations of variances are provided in the financial statements.
2. Total cost includes budgeted deficit of \$5.65 million.

## Budget measures summary

This table shows a summary of budget measures relating to the department since the 2016-17 State Budget. Further details are contained in *Budget Measures (Budget Paper 4)*.

| Department of National Parks, Sport and Racing | 2016-17<br>\$'000 | 2017-18<br>\$'000 | 2018-19<br>\$'000 | 2019-20<br>\$'000 | 2020-21<br>\$'000 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Revenue measures</b>                        |                   |                   |                   |                   |                   |
| Administered                                   | ..                | ..                | ..                | ..                | ..                |
| Departmental                                   | ..                | ..                | ..                | ..                | ..                |
| <b>Expense measures<sup>1</sup></b>            |                   |                   |                   |                   |                   |
| Administered                                   | 4,000             | 4,973             | 5,085             | 5,200             | 5,316             |
| Departmental                                   | 1,356             | 10,045            | 2,683             | (270)             | (68)              |
| <b>Capital measures</b>                        |                   |                   |                   |                   |                   |
| Administered                                   | ..                | ..                | ..                | ..                | ..                |
| Departmental                                   | 500               | 16,800            | 20,000            | ..                | ..                |

Note:

- Figures include the whole-of-government expense measures 'Brisbane CBD government office agency rental impacts', 'Reprioritisations' and 'Government Employee Housing'. Numbers may not reconcile with *Budget Measures (Budget Paper 4)* because it does not represent the full amount of additional funding provided to agencies since the 2016-17 Budget. For further explanation, refer to Explanation of Scope and Terms in Chapter 1 of *Budget Measures (Budget Paper 4)*.



## Departmental capital program

Capital purchases for the Department of National Parks, Sport and Racing in 2017-18 total \$49.5 million. The 2017-18 capital program directly supports the department's objectives through a significant capital works program in both National Parks and Sport and Recreation. In addition, there is ongoing replacement of plant and equipment and continued development and enhancement of systems to support delivery of the department's frontline services.

The National Parks capital works program provides infrastructure critical for the management, enjoyment and protection of Queensland's parks and forests. In 2017-18, capital investments will total \$45 million, including general expenditure of \$5.7 million on various projects to improve recreation and visitor facilities; \$5.7 million towards management and access facilities; \$3.3 million to towards plant and equipment; and \$1.9 million towards system development; as well as targeted expenditure on the following programs - \$15 million towards the Revitalising National Parks program; \$5.7 million towards the Mon Repos Turtle Centre redevelopment; \$2.8 million towards the Daisy Hill Koala precinct upgrade; \$1.3 million towards National Parks Cape York; \$1.4 million towards new park estate additions; and \$1.3 million on North Stradbroke Island.

Sport and Recreation Services will invest \$4.3 million in 2017-18 on priority capital upgrade projects at its Queensland Recreation Centres, Sports Grounds and Sport Houses throughout the state to enhance service delivery, provide greater participation outcomes and ensure a safe user environment.

## Capital budget

| Department of National Parks, Sport and Racing | Notes | 2016-17 Budget \$'000 | 2016-17 Est. Actual \$'000 | 2017-18 Budget \$'000 |
|--|-------|-----------------------|----------------------------|-----------------------|
| <b>Capital purchases</b>                       |       |                       |                            |                       |
| Total land, buildings and infrastructure       | 2     | 23,170                | 24,088                     | 44,132                |
| Total plant and equipment                      | 3     | 3,067                 | 5,015                      | 3,535                 |
| Total other capital                            | 4     | 2,500                 | 726                        | 1,863                 |
| <b>Total capital purchases</b>                 |       | <b>28,737</b>         | <b>29,829</b>              | <b>49,530</b>         |

Notes:

- For more detail on the agency's capital acquisitions please refer to *Capital Statement (Budget Paper 3)*.
- Increase in acquisitions in 2017-18 predominantly relates to new funding for the Revitalising National Parks program and the redevelopment of the Mon Repos Turtle Centre offset by some new programs that completed their initial start-up capital acquisitions in 2016-17.
- The increase of purchases of plant and equipment for the 2016-17 Estimated Actuals relates to the escalation of plant and equipment acquisitions for new programs in 2016-17.
- The decrease in purchases from 2016-17 Budget to 2016-17 Estimated Actuals is mainly due to the replanning of work to be performed on various National Parks projects into 2017-18.

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

| Department of National Parks, Sport and Racing | Notes | 2016-17 Budget | 2016-17 Est. Actual | 2017-18 Budget |
|--|-------|----------------|---------------------|----------------|
| National Parks                                 | 3, 4  | 1,101          | 1,155               | 1,175          |
| Sport and Recreation                           |       | 265            | 266                 | 266            |
| Racing   |       | 3              | 3                   | 3              |
| <b>TOTAL</b>                                   |       | <b>1,369</b>   | <b>1,424</b>        | <b>1,444</b>   |

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Ministerial and executive support and financial services staff are apportioned to each service area.
3. The increase in the 2016-17 Estimated Actual is due to a number of factors including externally funded programs and infrastructure programs requiring additional FTEs to meet outcomes.
4. The increase in the 2017-18 Budget is mainly due to the new funding received for the Revitalising National Parks program.

# Budgeted financial statements

## Analysis of budgeted financial statements

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

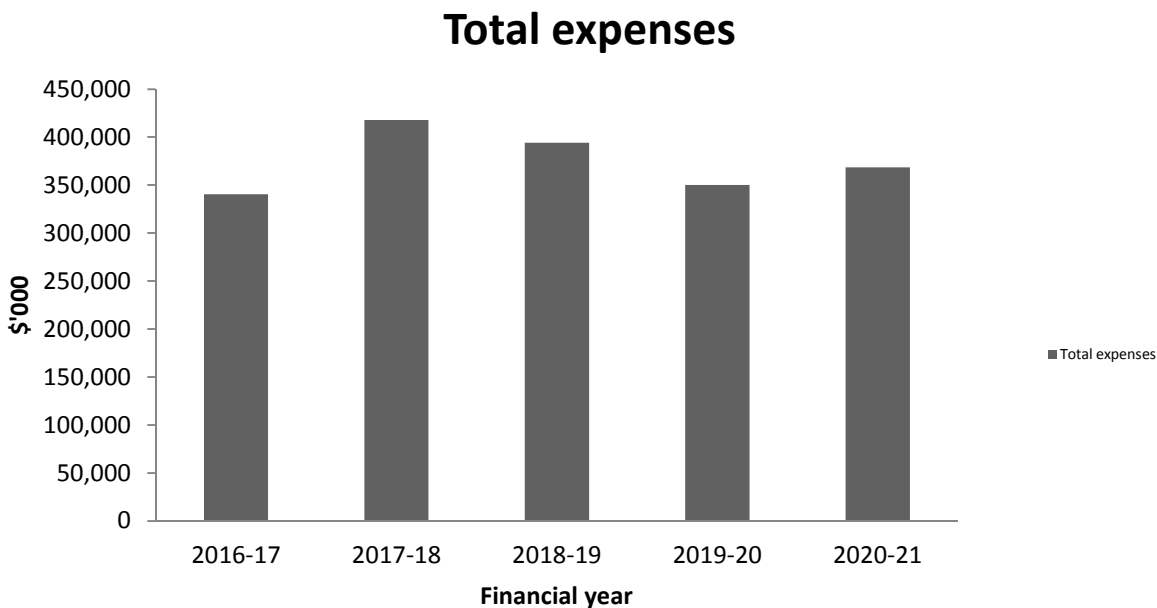
### Departmental income statement

Total expenses are estimated to be \$417.7 million, an increase of \$77.2 million or 23% per cent from 2016-17 Estimated Actual expenses.

The expenditure increase in 2017-18 is predominantly due to the increase in grants expenditure of \$54.4 million along with expenditure for the ex-HMAS Tobruk project as well as the revision of expenditure in relation to various programs. The increase in grants and subsidies primarily reflected a \$23.7 million higher forecast expenditure in the sport and recreation grant programs, \$23.2 million higher forecast expenditure in racing infrastructure grants and increase of forecast expenditure in National Parks of \$8.4 million for the Great Barrier Reef Marine Park Authority grant previously administered by the Department of the Premier and Cabinet.

The estimated surplus in 2016-17 of \$5.6 million is due primarily to ex-HMAS Tobruk funding received from local government, compensation received from the Department of Transport and Main Roads for the Townsville Ring Road impacts and revenue received from the Department of Tourism, Major Events, Small Business and the Commonwealth Games in relation to the 2018 Legacy Embracing program. In 2017-18 the overall budget deficit of \$5.7 million relates to expenditure being incurred within a number of externally funded programs where contributions were received in prior years including the ex-HMAS Tobruk project and the 2018 Legacy Embracing program.

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



## Departmental balance sheet

The department's budgeted asset balances in 2017-18 are predominantly comprised of heritage and cultural land held as national parks (\$1.3 billion), land (\$380.4 million), infrastructure (\$2.8 billion), buildings (\$209.5 million) and plant and equipment including intangibles (\$35 million).

The increase in property, plant and equipment from 2016-17 Adjusted Budget to 2017-18 Budget reflects the recognition of the new road infrastructure valuation methodology implemented in 2015-16 that resulted in an increase of \$2 billion.

The increase in the value of the department's non-current assets from 2016-17 Estimated Actual to 2017-18 Budget reflects the impact of depreciation for the period on the department's existing asset values, partially offset by new acquisitions and upgrades.

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

# Controlled income statement

| Department of National Parks, Sport and Racing | Notes   | 2016-17<br>Adjusted<br>Budget<br>\$'000 | 2016-17<br>Est. Act.<br>\$'000 | 2017-18<br>Budget<br>\$'000 |
|--|---------|---|--------------------------------|-----------------------------|
| <b>INCOME</b>                                  |         |   |                                |                             |
| Appropriation revenue                          | 1,8,15  | 343,679                                 | 279,610                        | 354,265                     |
| Taxes  |         | ..                                      | ..                             | ..                          |
| User charges and fees                          | 2,9     | 33,348                                  | 34,817                         | 35,082                      |
| Royalties and land rents                       |         | 1,180                                   | 1,238                          | 1,244                       |
| Grants and other contributions                 | 3,10,16 | 15,994                                  | 26,499                         | 18,264                      |
| Interest                                       |         | 480                                     | 480                            | 480                         |
| Other revenue                                  |         | 4,564                                   | 3,466                          | 2,757                       |
| Gains on sale/revaluation of assets            |         | ..                                      | ..                             | ..                          |
| <b>Total income</b>                            |         | <b>399,245</b>                          | <b>346,110</b>                 | <b>412,092</b>              |
| <b>EXPENSES</b>                                |         |   |                                |                             |
| Employee expenses                              | 4,11,17 | 118,765                                 | 126,069                        | 129,033                     |
| Supplies and services                          | 5,12,18 | 103,729                                 | 96,461                         | 115,289                     |
| Grants and subsidies                           | 6,13,19 | 115,045                                 | 76,397                         | 130,766                     |
| Depreciation and amortisation                  | 7,14    | 59,694                                  | 40,070                         | 40,293                      |
| Finance/borrowing costs                        |         | ..                                      | ..                             | ..                          |
| Other expenses                                 |         | 3,486                                   | 1,499                          | 2,361                       |
| Losses on sale/revaluation of assets           |         | ..                                      | ..                             | ..                          |
| <b>Total expenses</b>                          |         | <b>400,719</b>                          | <b>340,496</b>                 | <b>417,742</b>              |
| <b>OPERATING SURPLUS/(DEFICIT)</b>             |         | <b>(1,474)</b>                          | <b>5,614</b>                   | <b>(5,650)</b>              |

# Controlled balance sheet

| Department of National Parks, Sport and Racing | Notes    | 2016-17<br>Budget<br>\$'000 | 2016-17<br>Est. Act.<br>\$'000 | 2017-18<br>Budget<br>\$'000 |
|--|----------|-----------------------------|--------------------------------|-----------------------------|
| <b>CURRENT ASSETS</b>                          |          |                             |                                |                             |
| Cash assets                                    | 20,25,29 | 59,951                      | 71,271                         | 63,333                      |
| Receivables                                    |          | 6,272                       | 6,580                          | 6,457                       |
| Other financial assets                         |          | ..                          | ..                             | ..                          |
| Inventories                                    |          | ..                          | ..                             | ..                          |
| Other  |          | 1,607                       | 1,581                          | 1,519                       |
| Non-financial assets held for sale             |          | ..                          | ..                             | ..                          |
| <b>Total current assets</b>                    |          | <b>67,830</b>               | <b>79,432</b>                  | <b>71,309</b>               |
| <b>NON-CURRENT ASSETS</b>                      |          |                             |                                |                             |
| Receivables                                    |          | ..                          | ..                             | ..                          |
| Other financial assets                         |          | ..                          | ..                             | ..                          |
| Property, plant and equipment                  | 21,26,30 | 2,685,769                   | 4,766,410                      | 4,773,693                   |
| Intangibles                                    | 22,31    | 4,780                       | 2,346                          | 4,174                       |
| Other  |          | ..                          | ..                             | ..                          |
| <b>Total non-current assets</b>                |          | <b>2,690,549</b>            | <b>4,768,756</b>               | <b>4,777,867</b>            |
| <b>TOTAL ASSETS</b>                            |          | <b>2,758,379</b>            | <b>4,848,188</b>               | <b>4,849,176</b>            |
| <b>CURRENT LIABILITIES</b>                     |          |                             |                                |                             |
| Payables                                       |          | 21,662                      | 21,161                         | 21,128                      |
| Accrued employee benefits                      |          | 3,988                       | 3,959                          | 4,201                       |
| Interest bearing liabilities and derivatives   |          | ..                          | ..                             | ..                          |
| Provisions                                     |          | ..                          | ..                             | ..                          |
| Other  | 23,27    | 19,308                      | 16,851                         | 16,500                      |
| <b>Total current liabilities</b>               |          | <b>44,958</b>               | <b>41,971</b>                  | <b>41,829</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>44,958</b>               | <b>41,971</b>                  | <b>41,829</b>               |
| <b>NET ASSETS/(LIABILITIES)</b>                |          | <b>2,713,421</b>            | <b>4,806,217</b>               | <b>4,807,347</b>            |
| <b>EQUITY</b>                                  |          |                             |                                |                             |
| <b>TOTAL EQUITY</b>                            | 24,28    | <b>2,713,421</b>            | <b>4,806,217</b>               | <b>4,807,347</b>            |

# Controlled cash flow statement

| Department of National Parks, Sport and Racing              | Notes    | 2016-17<br>Budget*<br>\$'000 | 2016-17<br>Est. Act.<br>\$'000 | 2017-18<br>Budget<br>\$'000 |
|---|----------|------------------------------|--------------------------------|-----------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                 |          |                              |                                |                             |
| <b>Inflows:</b>   |          |                              |                                |                             |
| Appropriation receipts                                      | 32,39,48 | 343,679                      | 281,243                        | 354,265                     |
| User charges and fees                                       | 33,40    | 33,348                       | 36,717                         | 35,205                      |
| Royalties and land rent receipts                            |          | 1,180                        | 1,238                          | 1,244                       |
| Grants and other contributions                              | 34,41,49 | 15,484                       | 25,839                         | 17,875                      |
| Interest received   |          | 480                          | 480                            | 480                         |
| Taxes   |          | ..                           | ..                             | ..                          |
| Other   |          | 4,564                        | 3,466                          | 2,757                       |
| <b>Outflows:</b>  |          |                              |                                |                             |
| Employee costs  | 35,42,50 | (118,765)                    | (126,792)                      | (128,791)                   |
| Supplies and services                                       | 36,43,51 | (103,729)                    | (91,817)                       | (115,260)                   |
| Grants and subsidies  | 37,44,52 | (115,045)                    | (76,397)                       | (130,766)                   |
| Borrowing costs   |          | ..                           | ..                             | ..                          |
| Other   |          | (3,449)                      | (1,462)                        | (2,323)                     |
| <b>Net cash provided by or used in operating activities</b> |          | <b>57,747</b>                | <b>52,515</b>                  | <b>34,686</b>               |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                 |          |                              |                                |                             |
| <b>Inflows:</b>   |          |                              |                                |                             |
| Sales of non-financial assets                               |          | 126                          | 496                            | 126                         |
| Investments redeemed  |          | ..                           | ..                             | ..                          |
| Loans and advances redeemed                                 |          | ..                           | ..                             | ..                          |
| <b>Outflows:</b>  |          |                              |                                |                             |
| Payments for non-financial assets                           | 45,53    | (28,737)                     | (29,829)                       | (49,530)                    |
| Payments for investments                                    |          | ..                           | ..                             | ..                          |
| Loans and advances made                                     |          | ..                           | ..                             | ..                          |
| <b>Net cash provided by or used in investing activities</b> |          | <b>(28,611)</b>              | <b>(29,333)</b>                | <b>(49,404)</b>             |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                 |          |                              |                                |                             |
| <b>Inflows:</b>   |          |                              |                                |                             |
| Borrowings  |          | ..                           | ..                             | ..                          |
| Equity injections   | 46,54    | 16,358                       | 15,738                         | 31,694                      |
| <b>Outflows:</b>  |          |                              |                                |                             |
| Borrowing redemptions                                       |          | (46)                         | (46)                           | ..                          |
| Finance lease payments                                      |          | ..                           | ..                             | ..                          |
| Equity withdrawals  | 38,47,55 | (48,614)                     | (29,208)                       | (24,914)                    |
| <b>Net cash provided by or used in financing activities</b> |          | <b>(32,302)</b>              | <b>(13,516)</b>                | <b>6,780</b>                |
| <b>Net increase/(decrease) in cash held</b>                 |          | <b>(3,166)</b>               | <b>9,666</b>                   | <b>(7,938)</b>              |
| <b>Cash at the beginning of financial year</b>              |          | <b>63,117</b>                | <b>61,605</b>                  | <b>71,271</b>               |
| Cash transfers from restructure                             |          | ..                           | ..                             | ..                          |
| <b>Cash at the end of financial year</b>                    |          | <b>59,951</b>                | <b>71,271</b>                  | <b>63,333</b>               |

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

# Administered income statement

| Department of National Parks, Sport and Racing  | Notes    | 2016-17<br>Adjusted<br>Budget<br>\$'000 | 2016-17<br>Est. Act.<br>\$'000 | 2017-18<br>Budget<br>\$'000 |
|---|----------|---|--------------------------------|-----------------------------|
| <b>INCOME</b>                                   |          |   |                                |                             |
| Appropriation revenue                           | 56,58,62 | 50,401                                  | 64,290                         | 31,819                      |
| Taxes   |          | ..                                      | ..                             | ..                          |
| User charges and fees                           |          | 241                                     | 241                            | 256                         |
| Royalties and land rents                        |          | ..                                      | ..                             | ..                          |
| Grants and other contributions                  | 59,63    | 30,000                                  | 30,000                         | ..                          |
| Interest  |          | ..                                      | ..                             | ..                          |
| Other revenue                                   |          | ..                                      | ..                             | ..                          |
| Gains on sale/revaluation of assets             |          | ..                                      | ..                             | ..                          |
| <b>Total income</b>                             |          | <b>80,642</b>                           | <b>94,531</b>                  | <b>32,075</b>               |
| <b>EXPENSES</b>                                 |          |   |                                |                             |
| Employee expenses                               |          | ..                                      | ..                             | ..                          |
| Supplies and services                           |          | ..                                      | ..                             | ..                          |
| Grants and subsidies                            | 57,60,64 | 50,401                                  | 64,290                         | 31,819                      |
| Depreciation and amortisation                   |          | ..                                      | ..                             | ..                          |
| Finance/borrowing costs                         |          | ..                                      | ..                             | ..                          |
| Other expenses                                  |          | ..                                      | ..                             | ..                          |
| Losses on sale/revaluation of assets            |          | ..                                      | ..                             | ..                          |
| Transfers of Administered Revenue to Government | 61,65    | 30,241                                  | 30,241                         | 256                         |
| <b>Total expenses</b>                           |          | <b>80,642</b>                           | <b>94,531</b>                  | <b>32,075</b>               |
| <b>OPERATING SURPLUS/(DEFICIT)</b>              |          | <b>..</b>                               | <b>..</b>                      | <b>..</b>                   |



# Administered balance sheet

| Department of National Parks, Sport and Racing | Notes | 2016-17<br>Budget<br>\$'000 | 2016-17<br>Est. Act.<br>\$'000 | 2017-18<br>Budget<br>\$'000 |
|--|-------|-----------------------------|--------------------------------|-----------------------------|
| <b>CURRENT ASSETS</b>                          |       |                             |                                |                             |
| Cash assets                                    |       | 12                          | 4                              | 4                           |
| Receivables                                    |       | 5                           | ..                             | ..                          |
| Other financial assets                         |       | ..                          | ..                             | ..                          |
| Inventories                                    |       | ..                          | ..                             | ..                          |
| Other  |       | ..                          | ..                             | ..                          |
| Non-financial assets held for sale             |       | ..                          | ..                             | ..                          |
| <b>Total current assets</b>                    |       | <b>17</b>                   | <b>4</b>                       | <b>4</b>                    |
| <b>NON-CURRENT ASSETS</b>                      |       |                             |                                |                             |
| Receivables                                    |       | 3                           | ..                             | ..                          |
| Other financial assets                         |       | ..                          | ..                             | ..                          |
| Property, plant and equipment                  |       | ..                          | ..                             | ..                          |
| Intangibles                                    |       | ..                          | ..                             | ..                          |
| Other  |       | ..                          | ..                             | ..                          |
| <b>Total non-current assets</b>                |       | <b>3</b>                    | <b>..</b>                      | <b>..</b>                   |
| <b>TOTAL ASSETS</b>                            |       | <b>20</b>                   | <b>4</b>                       | <b>4</b>                    |
| <b>CURRENT LIABILITIES</b>                     |       |                             |                                |                             |
| Payables                                       |       | ..                          | ..                             | ..                          |
| Transfers to Government payable                |       | 20                          | 4                              | 4                           |
| Accrued employee benefits                      |       | ..                          | ..                             | ..                          |
| Interest bearing liabilities and derivatives   |       | ..                          | ..                             | ..                          |
| Provisions                                     |       | ..                          | ..                             | ..                          |
| Other  |       | ..                          | ..                             | ..                          |
| <b>Total current liabilities</b>               |       | <b>20</b>                   | <b>4</b>                       | <b>4</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>20</b>                   | <b>4</b>                       | <b>4</b>                    |
| <b>NET ASSETS/(LIABILITIES)</b>                |       | <b>..</b>                   | <b>..</b>                      | <b>..</b>                   |
| <b>EQUITY</b>                                  |       |                             |                                |                             |
| <b>TOTAL EQUITY</b>                            |       | <b>..</b>                   | <b>..</b>                      | <b>..</b>                   |

# Administered cash flow statement

| Department of National Parks, Sport and Racing              | Notes    | 2016-17<br>Budget*<br>\$'000 | 2016-17<br>Est. Act.<br>\$'000 | 2017-18<br>Budget<br>\$'000 |
|---|----------|------------------------------|--------------------------------|-----------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                 |          |                              |                                |                             |
| <b>Inflows:</b>   |          |                              |                                |                             |
| Appropriation receipts                                      | 66,68,72 | 50,401                       | 64,290                         | 31,819                      |
| User charges and fees                                       |          | 241                          | 241                            | 256                         |
| Royalties and land rent receipts                            |          | ..                           | ..                             | ..                          |
| Grants and other contributions                              | 69,73    | 30,000                       | 30,000                         | ..                          |
| Interest received   |          | ..                           | ..                             | ..                          |
| Taxes   |          | ..                           | ..                             | ..                          |
| Other   |          | ..                           | ..                             | ..                          |
| <b>Outflows:</b>  |          |                              |                                |                             |
| Employee costs  |          | ..                           | ..                             | ..                          |
| Supplies and services                                       |          | ..                           | ..                             | ..                          |
| Grants and subsidies  | 67,70,74 | (50,401)                     | (64,290)                       | (31,819)                    |
| Borrowing costs   |          | ..                           | ..                             | ..                          |
| Other   |          | ..                           | ..                             | ..                          |
| Transfers to Government                                     | 71,75    | (30,241)                     | (30,241)                       | (256)                       |
| <b>Net cash provided by or used in operating activities</b> |          | ..                           | ..                             | ..                          |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                 |          |                              |                                |                             |
| <b>Inflows:</b>   |          |                              |                                |                             |
| Sales of non-financial assets                               |          | ..                           | ..                             | ..                          |
| Investments redeemed  |          | ..                           | ..                             | ..                          |
| Loans and advances redeemed                                 |          | ..                           | ..                             | ..                          |
| <b>Outflows:</b>  |          |                              |                                |                             |
| Payments for non-financial assets                           |          | ..                           | ..                             | ..                          |
| Payments for investments                                    |          | ..                           | ..                             | ..                          |
| Loans and advances made                                     |          | ..                           | ..                             | ..                          |
| <b>Net cash provided by or used in investing activities</b> |          | ..                           | ..                             | ..                          |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                 |          |                              |                                |                             |
| <b>Inflows:</b>   |          |                              |                                |                             |
| Borrowings  |          | ..                           | ..                             | ..                          |
| Equity injections   |          | ..                           | ..                             | ..                          |
| <b>Outflows:</b>  |          |                              |                                |                             |
| Borrowing redemptions                                       |          | ..                           | ..                             | ..                          |
| Finance lease payments                                      |          | ..                           | ..                             | ..                          |
| Equity withdrawals  |          | ..                           | ..                             | ..                          |
| <b>Net cash provided by or used in financing activities</b> |          | ..                           | ..                             | ..                          |
| <b>Net increase/(decrease) in cash held</b>                 |          | ..                           | ..                             | ..                          |
| <b>Cash at the beginning of financial year</b>              |          | <b>12</b>                    | <b>4</b>                       | <b>4</b>                    |
| Cash transfers from restructure                             |          | ..                           | ..                             | ..                          |
| <b>Cash at the end of financial year</b>                    |          | <b>12</b>                    | <b>4</b>                       | <b>4</b>                    |

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

# Explanation of variances in the financial statements

## Income statement

### Major variations between 2016-17 Adjusted Budget and 2016-17 Estimated Actual include:

1. The decrease in appropriation revenue primarily reflects the carryover of funding for racing infrastructure grants and various sport and recreation grant programs to future years as well as the reduction in depreciation funding as a result of the new road structure revaluation methodology.
2. The increase in user charges and fees reflects additional revenue received as a result of an increase in visitation and an increasing demand for camping and vehicle permit bookings offset by a reclassification of external revenue received to grants and other contributions.
3. The increase in grants and other contributions primarily relates to compensation received from the Department of Transport and Main Roads for the Townsville Ring Road impacts and the additional funding received for the ex-HMAS Tobruk project from local government.
4. The increase in employee expenses includes an increase to the workers compensation premium as well as the reclassification of employee non salary costs from supplies and services to employee expenditure.
5. The decrease in supplies and services is primarily due to the carryover and revision of expenditure associated with a number of programs.
6. The decrease in grants and subsidies primarily reflects the carryover of funding for racing infrastructure grants and various sport and recreation grant programs to future years.
7. The decrease in depreciation and amortisation is primarily driven by the \$21 million decrease in depreciation expenditure due to the change in accounting treatment after the department adopted a new valuation methodology for the valuation of road structures.

### Major variations between 2016-17 Adjusted Budget and 2017-18 Budget include:

8. The increase in appropriation revenue includes additional funding received for the ex-HMAS Tobruk project and the change in funding arrangements for the Great Barrier Reef Marine Park Authority previously administered by the Department of the Premier and Cabinet.
9. The increase in user charges and fees reflects additional revenue received as a result of an increase in visitation and an increasing demand for camping and vehicle permit bookings offset by a reclassification of external revenue received to grants and other contributions.
10. The increase in grants and contributions reflects a reclassification of some external revenue from user charges and fees to grants and other contributions.
11. The increase in employee expenses includes Enterprise Bargaining Agreement increases, an increase to the workers compensation premium as well as the reclassification of employee non salary costs from supplies and services to employee expenditure.
12. The increase in supplies and services is primarily due to the additional funding received for the ex-HMAS Tobruk project as well as the revision of expenditure associated with a number of programs.
13. The increase in grants and subsidies is largely due to the timing of racing infrastructure grants and the change in funding arrangements for the Great Barrier Reef Marine Park Authority previously administered by the Department of the Premier and Cabinet.
14. The decrease in depreciation and amortisation is primarily driven by the \$21 million decrease in depreciation expenditure due to the change in accounting treatment after the department adopted a new valuation methodology for the valuation of road structures.

### Major variations between 2016-17 Estimated Actual and the 2017-18 Budget include:

15. The increase in appropriation revenue primarily reflects the carryover of funding for racing infrastructure grants and various sport and recreation grant programs from 2016-17 to 2017-18. The increase also reflects the additional funding received for the ex-HMAS Tobruk project and the change in funding arrangements for the Great Barrier Reef Marine Park Authority previously administered by the Department of the Premier and Cabinet.
16. The decrease in grants and other contributions primarily relates to the compensation received in 2016-17 from the Department of Transport and Main Roads for the Townsville Ring Road impacts and the additional funding received for the ex-HMAS Tobruk project from local government in 2016-17.
17. The increase in employee expenses includes Enterprise Bargaining Agreement increases and additional projects funded by external grants and other contributions.

18. The increase in supplies and services is largely due to expenditure for the ex-HMAS Tobruk project as well as the revision of expenditure associated with a number of programs.
19. The increase in grants and subsidies primarily reflects the carryover of funding for racing infrastructure grants and various sport and recreation grant programs from 2016-17 to 2017-18 and the change in funding arrangements for the Great Barrier Reef Marine Park Authority previously administered by the Department of the Premier and Cabinet.

## Balance sheet

### Major variations between 2016-17 Budget and 2016-17 Estimated Actual include:

20. The increase in cash assets is primarily due to the receipt of funds for externally funded programs with the expenditure planned for future years.
21. The increase in property, plant and equipment reflects the recognition of the new road infrastructure valuation methodology implemented that resulted in an increase of \$2 billion.
22. The decrease in intangibles is due to the rescheduling of enhancement work on software systems.
23. The decrease in other current liabilities reflects funds that have been drawn down for the management of the Environmental Management Precinct on Curtis Island.
24. The increase in equity is predominantly due to the recognition of the new road infrastructure valuation methodology implemented that resulted in an increase of \$2 billion.

### Major variations between 2016-17 Budget and 2017-18 Budget include:

25. The increase in cash assets is primarily due to the receipt of funds for externally funded programs with the expenditure planned for future years.
26. The increase in property, plant and equipment reflects the recognition of the new road infrastructure valuation methodology implemented that resulted in an increase of \$2 billion.
27. The decrease in other current liabilities reflects funds that have been drawn down for the management of the Environmental Management Precinct on Curtis Island.
28. The increase in equity is predominantly due to the recognition of the new road infrastructure valuation methodology implemented that resulted in an increase of \$2 billion.

### Major variations between 2016-17 Estimated Actual and the 2017-18 Budget include:

29. The decrease in cash assets is due to expenditure in a number of externally funded programs being incurred in 2017-18 where the matching revenue contribution was received in prior years.
30. The increase in property, plant and equipment reflects the difference between depreciation for the period compared with forecast purchases and acquisitions.
31. The increase in intangibles reflects planned systems enhancements in 2017-18.

## Cash flow statement

### Major variations between 2016-17 Budget\* and 2016-17 Estimated Actual include:

32. The decrease in appropriation receipts includes the carryover of funding for racing infrastructure grants and various sport and recreation grant programs to future years as well as the reduction in depreciation funding as a result of the new road structure revaluation methodology.
33. The increase in user charges and fees reflects additional revenue received as a result of an increase in visitation and an increasing demand for camping and vehicle permit bookings offset by a reclassification of external revenue received to grants and other contributions.
34. The increase in grants and other contributions primarily relates to compensation received from the Department of Transport and Main Roads for the Townsville Ring Road impacts and the additional funding received for the ex-HMAS Tobruk project from local government.
35. The increase in employee expenses includes an increase to the workers compensation premium as well as the reclassification of employee non salary costs from supplies and services to employee expenditure.
36. The decrease in supplies and services is primarily due to the carryover and revision of expenditure associated with a number of programs.

37. The decrease in grants and subsidies primarily reflects the carryover of funding for racing infrastructure grants and various sport and recreation grant programs to future years.
38. The decrease in the equity withdrawal predominately relates to the change in accounting treatment for the valuation of road structures for which there is a corresponding decrease in depreciation.

**Major variations between 2016-17 Budget\* and 2017-18 Budget include:**

39. The increase in appropriation receipts includes the additional funding received for the ex-HMAS Tobruk project and the change in funding arrangements for the Great Barrier Reef Marine Park Authority previously administered by the Department of the Premier and Cabinet.
40. The increase in user charges and fees reflects additional revenue received as a result of an increase in visitation and an increasing demand for camping and vehicle permit bookings offset by a reclassification of external revenue received to grants and other contributions.
41. The increase in grants and other contributions reflects a reclassification of some external revenue from user charges and fees to grants and other contributions.
42. The increase in employee expenses includes Enterprise Bargaining Agreement increases, an increase to the workers compensation premium as well as the reclassification of employee non salary costs from supplies and services to employee expenditure.
43. The increase in supplies and services is primarily due to the additional funding received for the ex-HMAS Tobruk project as well as the revision of expenditure associated with a number of programs.
44. The increase in grants and subsidies is largely due to the timing of racing infrastructure grants and the change in funding arrangements for the Great Barrier Reef Marine Park Authority previously administered by the Department of the Premier and Cabinet.
45. The increase in payments is primarily related to new funding for the Revitalising National Parks program.
46. The increase in equity injection is primarily related to new funding for the Revitalising National Parks program.
47. The decrease in the equity withdrawal predominately relates to the change in accounting treatment for the valuation of road structures for which there is a corresponding decrease in depreciation.

**Major variations between 2016-17 Estimated Actual and the 2017-18 Budget include:**

48. The increase in appropriation receipts includes the carryover of funding for racing infrastructure grants and various sport and recreation grant programs from 2016-17 to 2017-18. The increase also reflects the additional funding received for the ex-HMAS Tobruk project and the change in funding arrangements for the Great Barrier Reef Marine Park Authority previously administered by the Department of the Premier and Cabinet.
49. The decrease in grants and other contributions primarily relates to compensation received in 2016-17 from the Department of Transport and Main Roads for the Townsville Ring Road impacts and the additional funding received for the ex-HMAS Tobruk project from local government in 2016-17.
50. The increase in employee expenses includes Enterprise Bargaining Agreement increases and additional projects funded by external grants and other contributions.
51. The increase in supplies and services is largely due to expenditure for the ex-HMAS Tobruk project as well as the revision of expenditure associated with a number of programs.
52. The increase in grants and subsidies primarily reflects the carryover of funding for racing infrastructure grants and various sport and recreation grant programs from 2016-17 to 2017-18 and the change in funding arrangements for the Great Barrier Reef Marine Park Authority previously administered by the Department of the Premier and Cabinet.
53. The increase in payments is primarily related to new funding for the Revitalising National Parks program.
54. The increase in equity injection is primarily related to new funding for the Revitalising National Parks program.
55. The decrease in the equity withdrawal predominately relates to the reprofiling of funding requirements from 2016-17 into 2015-16 for the Sunshine Coast Recreation Centre that was completed in 2015-16.

## Administered income statement

### Major variations between 2016-17 Adjusted Budget and 2016-17 Estimated Actual include:

56. The increase in appropriation revenue reflects the additional funding to Stadiums Queensland for the Queensland State Netball Centre and financial assistance to Racing Queensland.
57. The increase in grants and subsidies reflects the additional funding to Stadiums Queensland for the Queensland State Netball Centre and financial assistance to Racing Queensland.

### Major variations between 2016-17 Adjusted Budget and 2017-18 Budget include:

58. The decrease in appropriation revenue primarily reflects the transfer of the administration arrangements for the Queensland Racing Integrity Commission to Queensland Treasury and finalisation of capital grant funding provided to Stadiums Queensland for the Queensland State Netball Centre in 2016-17.
59. The decrease in grants and other contributions is due to the scheduled receipt of the Exclusive Wagering Authority fee from UBET in 2016-17.
60. The decrease in grants and subsidies primarily reflects the transfer of the administration arrangements for the Queensland Racing Integrity Commission to Queensland Treasury and finalisation of capital grant funding provided to Stadiums Queensland for the Queensland State Netball Centre in 2016-17.
61. The decrease in transfers of Administered Revenue to Government is due to the scheduled receipt of the Exclusive Wagering Authority fee from UBET in 2016-17.

### Major variations between 2016-17 Estimated Actual and the 2017-18 Budget include:

62. The decrease in appropriation revenue reflects the transfer of the administration arrangements for the Queensland Racing Integrity Commission to Queensland Treasury and finalisation of capital grant funding provided to Stadiums Queensland for the Queensland State Netball Centre and financial assistance for Racing Queensland in 2016-17.
63. The decrease in grants and other contributions primarily relates to the scheduled receipt of the Exclusive Wagering Authority fee from UBET in 2016-17.
64. The decrease in grants and subsidies reflects the transfer of the administration arrangements for the Queensland Racing Integrity Commission to Queensland Treasury and finalisation of capital grant funding provided to Stadiums Queensland for the Queensland State Netball Centre and financial assistance to Racing Queensland in 2016-17.
65. The decrease in transfers of Administered Revenue to Government is due to the scheduled receipt of the Exclusive Wagering Authority fee from UBET in 2016-17.

## Administered cash flow statement

### Major variations between 2016-17 Budget\* and 2016-17 Estimated Actual include:

66. The increase in appropriation receipts reflects the additional funding to Stadiums Queensland for the Queensland State Netball Centre and financial assistance to Racing Queensland.
67. The increase in grants and subsidies reflects the additional funding to Stadiums Queensland for the Queensland State Netball Centre and financial assistance to Racing Queensland.

### Major variations between 2016-17 Budget\* and 2017-18 Budget include:

68. The decrease in appropriation receipts primarily reflects the transfer of the administration arrangements for the Queensland Racing Integrity Commission to Queensland Treasury and finalisation of capital grant funding provided to Stadiums Queensland for the Queensland State Netball Centre in 2016-17.
69. The decrease in grants and other contributions is due to the scheduled receipt of the Exclusive Wagering Authority fee from UBET in 2016-17.
70. The decrease in grants and subsidies primarily reflects the transfer of the administration arrangements for the Queensland Racing Integrity Commission to Queensland Treasury and finalisation of capital grant funding provided to Stadiums Queensland for the Queensland State Netball Centre in 2016-17.
71. The decrease in transfers to Government is due to the scheduled receipt of the Exclusive Wagering Authority fee from UBET in 2016-17.

**Major variations between 2016-17 Estimated Actual and the 2017-18 Budget include:**

72. The decrease in appropriation receipts reflects the transfer of the administration arrangements for the Queensland Racing Integrity Commission to Queensland Treasury and finalisation of capital grant funding provided to Stadiums Queensland for the Queensland State Netball Centre and financial assistance to Racing Queensland in 2016-17.
73. The decrease in grants and other contributions primarily relates to the scheduled receipt of the Exclusive Wagering Authority fee from UBET in 2016-17.
74. The decrease in grants and subsidies reflects the transfer of the administration arrangements for the Queensland Racing Integrity Commission to Queensland Treasury and finalisation of capital grant funding provided to Stadiums Queensland for the Queensland State Netball Centre and financial assistance to Racing Queensland in 2016-17.
75. The decrease in transfers to Government is due to the scheduled receipt of the Exclusive Wagering Authority fee from UBET in 2016-17.

# 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:<br>delivery of agreed services<br>administered items<br>adjustment of the Government's equity in agencies, including acquiring of capital.   |
| <b>Balance sheet</b>        | A financial statement that reports the assets, liabilities and equity of an entity as at a particular date.   |
| <b>Capital</b>              | A term used to refer to an entity's stock of assets and the capital grants it makes to other agencies. Assets include property, plant and equipment, intangible items and inventories that an entity owns/controls and uses in the delivery of services.                                      |
| <b>Cash Flow Statement</b>  | A financial statement reporting the cash inflows and outflows for an entity's operating, investing and financing activities in a particular period.   |
| <b>Controlled Items</b>     | Assets, liabilities, revenues and expenses that are controlled by departments. These relate directly to the departmental operational objectives and arise at the discretion and direction of that department.   |
| <b>Depreciation</b>         | The periodic allocation of the cost of physical assets, representing the amount of the asset consumed during a specified time.  |
| <b>Equity</b>               | Equity is the residual interest in the assets of the entity after deduction of its liabilities. It usually comprises the entity's accumulated surpluses/losses, capital injections and any reserves.  |
| <b>Equity injection</b>     | An increase in the investment of the Government in a public sector agency.  |
| <b>Financial statements</b> | Collective description of the Income Statement, the Balance Sheet and the Cash Flow Statement for an entity's controlled and administered activities.   |



|                           |  |
|---------------------------|--|
| <b>Income statement</b>   | A financial statement highlighting the accounting surplus or deficit of an entity. It provides an indication of whether the entity has sufficient revenue to meet expenses in the current year, including non-cash costs such as depreciation. |
| <b>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.  |

For a more detailed Glossary of Terms, please refer to the Reader's Guide available on the Budget website at [www.budget.qld.gov.au](http://www.budget.qld.gov.au)





Queensland  
Government

Queensland Budget 2017-18

**Service Delivery Statements**

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