

State Budget 2013-14

Service Delivery Statements

Department of Natural Resources and Mines



2013–14 State Budget Papers

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Appropriation Bills

Concessions Statement

The suite of Budget Papers is similar to that published in 2012-13.

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Service Delivery Statements

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Queensland
Government

Department of Natural Resources and Mines

Summary of portfolio budgets

Page	Agency	2012-13 Budget \$'000	2012-13 Est. Actual \$'000	2013-14 Estimate \$'000
2	Department of Natural Resources and Mines - controlled	497,724	555,517	479,518
	Department of Natural Resources and Mines - administered	51,873	551,876	51,689

Notes:

1. Explanations of variances are provided in the financial statements.

PORTFOLIO OVERVIEW

Ministerial and portfolio responsibilities

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

<p style="text-align: center;">Minister for Natural Resources and Mines The Honourable Andrew Cripps MP</p>
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<p style="text-align: center;">Assistant Minister for Natural Resources and Mines Lisa France MP</p>

<p style="text-align: center;">Department for Natural Resources and Mines Director-General: Dan Hunt</p> <hr/> <p>Service Area 1: Land Services</p> <hr/> <p>Service Area 2: Water Services</p> <hr/> <p>Service Area 3: Mine Safety and Health Services</p> <hr/> <p>Service Area 4: Mining and Petroleum Services</p>
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Additional information about the department may be found at www.dnrm.qld.gov.au

RESOURCES AND PERFORMANCE

DEPARTMENTAL OVERVIEW

Strategic direction

To deliver benefits for Queensland, the department works to achieve the following objectives as outlined in the strategic plan 2013-17: sustainable and productive use of land and water resources; balance in access to and use of natural resources; a safe and healthy resources industry; a globally competitive mining, petroleum and gas industry; and regulatory certainty for communities, industry and investors.

The department provides land services, water services, mine safety and health services, and mining and petroleum services and contributes to the Government's objectives for the community to:

- grow a four pillar economy by delivering investment from exploration and revenue from resources activity, valuations, a secure land and water titling system, productive and sustainable land and water resources, a safe and healthy resources industry, and a more productive and sustainable resources industry
- realise better infrastructure and planning by delivering accurate geological survey, spatial and natural resources information, real time monitoring of water resources, and better information on the real benefits and impacts of natural resources and resources industry activity
- revitalise frontline services by delivering an effective mine safety and health response capability, real data for research and industry, effective valuations, real public value regulation, streamlined licensing and permit services, and real time water monitoring services
- lower the cost of living for families by creating options for home ownership on Indigenous land and reducing red tape for landholders.

Key challenges for the department include:

- managing stakeholder service delivery expectations and ensuring availability of open data
- structural changes in the global economy
- fluctuations in global demand for geological resources, food and fibre
- rising and competing demand for land, water and geological resources
- population growth and associated changes in development and amenity, particularly in regional areas
- managing the impacts of resource industry activity on land, water and geological resources
- achieving a sustained target of zero harm in the mining industry
- skills demand and the impact of non-resident workforces on communities
- natural disaster responsiveness
- the pace and cost of scientific and technological development.

In 2013-14 the department will:

- allocate funding of \$80 million over five years towards natural resource management investment in Queensland including initiatives to protect the Great Barrier Reef
- fund Geological Survey of Queensland with \$30 million over three years to further increase exploration and investment in mining in Queensland, as a consequence of the successful first round of competitive cash bidding
- deliver a preferred management strategy that protects Western Rivers while enabling sustainable development

- implement the Queensland Floods Commission of Inquiry recommendations regarding the regulation of levees and the progression of the Brisbane River Catchment Flood Study
- progress the implementation of the Great Artesian Basin Sustainability Initiative program
- enable the release of unallocated water in the Baffle catchment and the Great Artesian Basin
- implement the Murray Darling Basin Plan for Queensland's Basin catchments
- achieve priority reforms in water metering, monitoring, licensing, management and planning
- implement vegetation management reforms to better balance economic development with environmental sustainability, and to reduce red tape
- increase Indigenous people's access to land through transfers made under the amended *Aboriginal Land Act 1991* and the *Torres Strait Islander Land Act 1991*
- review rural and tourism Land Act lease rentals, as part of the Government's commitment to build the four pillars of Queensland's economy
- consolidate existing data on abandoned mines across Queensland and develop a risk assessment framework to guide decisions on remediation of abandoned mine sites
- implement the coal seam gas engagement and compliance plan to balance the interests of industry, rural landholders, regional communities and the environment
- conduct research to assess the impact of coal seam gas extraction on aquifers in the Surat Cumulative Management Area
- enable the development of Queensland's significant oil shale resources under strict environmental conditions
- coordinate the Government's response to the recommendations proposed by the Uranium Mining Implementation Committee
- further progress online services for the mining sector including online lodgement of permit applications, notices, access to the public register and local area permit reports for the community
- commence the system for national electronic conveyancing in Queensland
- enable online access to large geographical data sets through the Large Spatial Data Online Delivery Service
- implement amendments to the *Coal Mining Safety and Health Act 1999* and the *Mining and Quarrying Safety and Health Act 1999* to improve mine safety and health.

In 2012-13 the department:

- worked with the newly established stakeholder committee to deliver a six point action plan as part of the Government's response to the Independent Land Access Review
- progressed the framework to manage mining leases on North Stradbroke Island in consultation with representatives of the Native Title Party
- amended legislation to support progression of the South of Embley bauxite mining project
- worked with proponents and landowners to progress the mining lease for a rail load out facility for Cloncurry
- established an Industry Steering Group to resolve overlapping resource tenure issues
- simplified exploration assessment processes with the release of Online Exploration Permits for Minerals, with 85% of new permits having been lodged online since October 2012
- maintained the integrity of the State's land and water registers and ensured the timely registration of over 600,000 documents in the registers
- released the new Queensland geology map, the results of the Galilee and Thomson airborne magnetic and radiometric surveys and the Queensland Geology book
- extended shotfirer licence renewal periods from three to five years, and extended the requirement to replace a licence photograph from five to 10 years, reducing industry costs associated with retraining and recertification
- streamlined authorisations for use of explosives in the petroleum and gas industry
- prioritised resources to deliver a four year program of works for abandoned mines

- engaged key stakeholders to address identified skills shortages in the mining industry with Simtars delivering a variety of training packages to up-skill industry
- drafted the Wet Tropics Water Resource Plan and initiated processes for the release of unallocated water in the Gulf, Baffle and Great Artesian Basin Water Resource Plan areas
- amended the Logan Basin Resource Operations Plan to include Wyaralong Dam. Completed the Cooper Creek, Pioneer (Groundwater Amendment) and Fitzroy Resource Operations Plans; the Burnett Water Resource Plan 10-year review; and the five year review of the Great Artesian Basin Water Resource and Resource Operations Plans
- consulted with communities and progressed a plan to better manage Western Rivers via the Western Rivers Advisory Panel
- provided \$4 million in core funding and critical program support, and \$7.5 million in project funding to regional natural resource management bodies under the Queensland Regional Natural Resource Management Investment Program. Regional bodies also received an additional \$23 million in funding through the Commonwealth Caring for our Country program
- implemented online lodgement for objections against statutory land valuations as part of the 2013 valuation process
- continued consultation on the Stock Route Network Management Bill while the Parliamentary Committee inquiry into the future and continued relevance of government land tenure across Queensland took place
- represented the State of Queensland as first respondent to native title claims lodged with the Federal Court in Queensland, and negotiated resolutions and broader land settlement agreements wherever possible
- introduced the *Aboriginal and Torres Strait Islander Land Holding Act 2013*, and introduced tools to finalise outstanding leasing matters and remove barriers to sustainable home ownership on certain Indigenous land
- progressed amendments to the *Land Title Act 1994* to introduce statutory easements for support, utility easements and infrastructure, shelter, projections and maintenance, for small lot development to reduce costs for survey and plan preparation
- conducted a pilot study to assess the potential for coordinated surveys in a Greenfield development and for extending the survey model to other greenfield sites across Queensland.

Departmental Budget Summary

The table below shows the total resources available in 2013-14 from all sources and summarises how resources will be applied by service area and by controlled and administered classifications.

Department of Natural Resources and Mines	2012-13 Budget \$'000	2012-13 Est. Actual \$'000	2013-14 Estimate \$'000
CONTROLLED			
Income			
Appropriation for services ^{1,2}			
Deferred from previous year/s	28,247	28,247	5,438
Balance of service appropriation	351,724	385,033	315,255
Other revenue	117,753	117,237	158,825
Total income	497,724	530,517	479,518
Expenses			
Land Services	196,348	230,315	195,309
Water Services	141,036	184,342	126,309
Mine Safety and Health Services	66,678	66,262	58,186
Mining and Petroleum Services	84,512	64,818	89,918
Corporate Partnerships ³	9,150	9,780	9,796
Total expenses	497,724	555,517	479,518
Operating surplus/deficit	..	(25,000)	..
Net assets	287,500	240,513	243,906
ADMINISTERED			
Revenue			
Commonwealth revenue	..	..	..
Appropriation of administered items	1,468	1,471	1,284
Other administered revenue	706,700	702,700	732,440
Total revenue	708,168	704,171	733,724
Expenses			
Transfers to government	476,295	472,295	502,035
Administered expenses	51,873	551,876	51,689
Total expenses	528,168	1,024,171	553,724
Net assets	64,438,814	63,950,226	64,110,434
APPROPRIATIONS			
Controlled Items			
Departmental services ¹	383,885	417,194	320,693
Equity adjustment	7,472	4,023	3,393
Administered items	3,448	10,075	3,264
VOTE TOTAL⁴	394,805	431,292	327,350

Notes:

1. Appropriation for services does not match appropriation for departmental services in the 2012-13 Budget and 2012-13 Est. actual due to appropriation receivable of \$3.9 million.

2. Includes State and Commonwealth funding.
3. Corporate services hosted by DNRM as part of corporate partnership arrangements, provide services to:
 - Department of Agriculture, Fisheries and Forestry
 - Department of Energy and Water Supply
 - Department of Environment and Heritage Protection
 - Department of National Parks, Recreation, Sport and Racing
 - Department of Tourism, Major Events and Small Business and the Commonwealth Games.
4. As represented in the 2013-14 Appropriation Bills.

Budget Measures Summary¹

The table shows a summary of Budget measures relating to the department since the 2012-13 Budget. Further details are contained in Budget Paper No. 4.

Department of Natural Resources and Mines	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
Revenue measures					
Administered
Departmental
Expense measures					
Administered
Departmental	..	25,820	21,600	21,545	11,491
Capital measures					
Administered
Departmental	..	200	..	..	..

Notes:

1. The totals for 2013-14 reconcile with Budget Paper 4.

Staffing¹

Service Areas	Notes	2012-13 Budget	2012-13 Est. Actual	2013-14 Estimate
Land Services	2	1,273	1,278	1,260
Water Services	2	483	505	498
Mine Safety and Health Services	2	306	306	306
Mining and Petroleum Services	2	310	311	307
Subtotal		2,372	2,400	2,371
Corporate Partnerships	3,4	72	72	72
TOTAL	5	2,444	2,472	2,443

Notes:

1. Full-time equivalents (FTEs) as at 30 June
2. Corporate FTEs providing internal corporate services are allocated to the service to which they relate.
3. Corporate FTEs employed by the department as part of the corporate partnership arrangements provide services to:
 - Agriculture, Fisheries and Forestry
 - Energy and Water Supply
 - National Parks, Recreation, Sport and Racing
 - Environment and Heritage Protection
 - Tourism, Major Events, Small Business and the Commonwealth Games.
4. Under the corporate partnership arrangements, the department also receives services from Agriculture, Fisheries and Forestry and Environment and Heritage Protection.
5. The 2012-13 Est. Actual figure adjusts the 2012-13 Budget figure to allow for 11 FTEs, funded through external short-term funding arrangements, inadvertently missed from the original forecasted figure. During the year, machinery-of-government changes have also seen a further 17 FTEs transferred into the department's budgeted resourcing profile.

SERVICE PERFORMANCE

Services

The purpose of the department is to ensure Queenslanders benefit from the productive, sustainable use of the State's natural resources – our land, water and minerals.

Our service areas are:

Land Services

The objectives of this service area are to: provide a strong framework for dealing in land that provides greater confidence and certainty to clients and the community; and maximise the productive use of the State's land resource.

Outcomes include: clarity for landholders and developers on native vegetation clearing; consideration and support of Indigenous land interests; resolution of native title claims; certainty in land titling, provision of mapping and spatial information and accurate valuations; and well planned and managed allocation and use of state land resources.

Water Services

The objectives of this service area are to: provide certainty in water access entitlements; plan and manage the allocation and sustainable use of Queensland's water resources; account for and monitor the quantity, availability and condition of water resources; and increase the productive use of Queensland's water resources without compromising sustainability.

Outcomes include: water for communities and industry; water security; better planning; and reduced red tape.

Mine Safety and Health Services

The objectives of this service area are to: reduce safety and health risks in the mining, quarrying, explosives, petroleum and gas industries by ensuring strong, independent regulation; provide an effective response capability; build industry awareness and skills; utilise research and new technologies; and mitigate safety and health risks at abandoned mines.

Outcomes include: a safe and healthy workforce; safe, productive industries; a reduction of impacts from abandoned mines; and better planning and infrastructure.

Mining and Petroleum Services

The objectives of this service area are to: encourage exploration and investment; and support industry to develop new projects and approaches.

Outcomes include: investment from exploration activity; better planning and infrastructure; and more efficient permit approval and licensing processes.

Red tape reduction

In 2012-13 the department:

- progressed streamlining measures under the Vegetation Management Framework, through the introduction of the Vegetation Management Framework Amendment Bill 2013 to Parliament in March 2013
- delivered an industry discussion paper inviting submissions from peak industry bodies and stakeholders to inform the proposed creation of a Common Resources Act. The consultation process is an important step in delivering a common, flexible system of tenure and resource administration to cover coal, mineral, petroleum, geothermal and geo-sequestration tenures
- introduced the Land, Water and Other Legislation Amendment Bill 2013 to Parliament on 5 March 2013. The Bill seeks to amend a number of Acts to streamline operational land, water and petroleum associated provisions and realise administrative and operational efficiencies for government and stakeholders. The Bill also seeks to allow the conversion of unused wells into water bores for use by farmers and graziers and simplifies the State Rural Leasehold Land Strategy
- passed the *Mining Legislation Streamlining Amendment Act 2012* in August 2012. The Act modernises the tenure administration and reduces the time taken for each tenure decision; clarifies legislation so resource activities (exploration) and development activities (transport and infrastructure) can coexist. The Act also clarifies the application of the *Work Health and Safety Act 2011* to hazardous chemicals and facilities and streamlines rules applying to the management and transport of water and brine produced by coal seam gas and liquefied natural gas industries
- changed Queensland's Strategic Cropping Land (SCL) map to reduce red tape for fossicking activities undertaken on strategic cropping land
- streamlined the fodder harvesting permit renewal process allowing landholders to extend existing permits by five years, rather than re-applying for new permits
- reduced red tape for the small mining sector via passage of the *Mining and Other Legislation Amendment Act 2013*.

In 2013-14, the department will:

- continue to streamline and integrate the five resource tenure acts
- modernise the tenure administration system and reduce the time taken for each tenure decision
- enable the Queensland Government supported recommendations of the Parliamentary Committee Inquiry into the future and continued relevance of Government land tenure across Queensland
- create simplified state-wide vegetation maps to clearly define areas where regulations apply
- deliver a Six Point Action Plan to better balance the interests of landholders and resources.

2013-14 Service Summary¹

Service area	Sources of Revenue				
	Total cost \$'000	State Contribution \$'000	User Charges \$'000	C'wealth Revenue \$'000	Other Revenue \$'000
Land	195,309	141,109	43,085	..	11,115
Water	126,309	74,408	7,804	33,030	11,067
Mine Safety and Health	58,186	3,972	13,847	..	40,367
Mining and Petroleum	89,918	63,013	3,061	..	23,844
Corporate Partnerships	9,796	9,796	..	..	..
TOTAL	479,518	292,298	67,797	33,030	86,393

Notes:

1. Explanations of variances are provided in the financial statements.

Performance Statement

To improve accountability for performance, service standards for the 2013-14 State Budget will only present measures relating to the efficiency or effectiveness of services delivered by government. Measures of input and/or activity, which do not demonstrate effectiveness or efficiency and are no longer relevant measures of the agency's services, will be discontinued from being reported in the Service Delivery Statements. Discontinued measures that remain relevant to the agency's services will continue to be publicly available through alternative communication channels. For details on measures which are being discontinued and where this information may be accessed in the future, please refer to the 2013-14 Budget website at www.budget.qld.gov.au.

Department of Natural Resources and Mines	Notes	2012-13 Target/Est.	2012-13 Est. Actual	2013-14 Target/Est.
Service Area: Land Services				
Service standards				
Resolution of outstanding Native Title Claims	1	10%	10%	10%
Percentage of objections lodged against annual statutory land valuations processed within customer service standards	2	New measure	New measure	85%
Percentage of records processed within customer service standards:				
• Titles Registry (in 5 days)		90%	94%	90%
• Digital Cadastral Database (in 7 days)	3	90%	93.5%	90%
State contribution (\$000)		136,631	147,908	141,109
Other revenue (\$000)		59,717	69,907	54,200
Total cost (\$000)		196,348	230,315	195,309
Service Area: Water Services				
Service standards				
Percentage of the State's natural water resources with monitoring programs in place	4	70%	70%	70%
Percentage of water resource management dealings processed within customer service standards	5	Amended measure	80%	75%
State contribution (\$000)		108,891	108,756	74,408
Other revenue (\$000)		32,145	63,086	51,901
Total cost (\$000)		141,036	184,342	126,309
Service Area: Mine Safety and Health Services				
Service standards				
Lost time injury frequency rate (injuries per million hours) in the mining and quarrying industries	6	<3.3	3.3	<3.3

Department of Natural Resources and Mines	Notes	2012-13 Target/Est.	2012-13 Est. Actual	2013-14 Target/Est.
Percentage of scheduled and legislative audits, inspections and investigations completed within prescribed times	7	90%	80%	90%
State contribution (\$000)		53,033	52,821	3,972
Other revenue (\$000)		13,645	13,441	54,214
Total cost (\$000)		66,678	66,262	58,186
Service Area: Mining and Petroleum Services				
Percent of mining exploration applications grants in accordance with timelines set out in published performance standards	8	90%	80%	90%
Percent of new production tenure applications granted within timelines agreed between the department and industry proponents	9	90%	90%	90%
State contribution (\$000)		53,978	60,942	63,013
Other revenue (\$000)		30,534	3,876	26,905
Total cost (\$000)		84,512	64,818	89,918

Notes:

1. This is a continuing service standard relating to the timeliness and effectiveness of claims processes.
2. Customer service standard for processing objections against annual land valuations is 60 days from the closure of the objection period.
3. Subdued property market activity contributed to the Titles Registry target being exceeded. The annual Digital Cadastral Database target of 90% is based on an average of long term statistics and allows for fluctuations in property market activity, which may generate greater demand for survey plans.
4. This is a continuing service standard.
5. This measure was previously reported as an 'other measure'. The measure has been elevated to a service standard as it is a measure of customer satisfaction in regard to efficiency. This amended measure replaces two previous measures (licence applications and licence transfer renewals). The target of 75% recognises that the department will be handling more complex water transactions.
6. There is a lag time of several months in receiving information from mines for this measure. The 2013 data received indicates that the rate is consistent with the 2012-13 target, but this may need to be adjusted as more information is received.
7. This measure was previously reported as an 'other measure'. The measure has been elevated to a service standard as it is a measure of customer satisfaction in regard to efficiency. A number of significant incidents/accidents across the industry have diverted resources to investigations resulting in a reduced number of programmed audits and inspections being achieved.
8. This measure was previously reported as an 'other measure'. The measure has been elevated to a service standard as it is a primary objective for government to reduce red tape and streamline processes. Additional workload in processing bulk applications for coal exploration permits impacted timelines in 2012-13.
9. This measure was previously reported as an 'other measure'. The measure has been elevated to a service standard as it is a measure of customer satisfaction in regard to efficiency.

Administered Items

The Department of Natural Resources and Mines administers funds on behalf of the State as follows:

Titles Registration Revenue

Revenue is collected under the *Land Title Act 1994*, *Land Act 1994* and the *Water Act 2000* for the lodgement of documents to secure ownership and other interests in freehold and State leasehold land, water allocations and other resources and to record related information. Customers include individuals and organisations, both in Queensland and elsewhere, with interests in the State's resources. The client groups include landowners, investors, government agencies, industry groups, financial institutions, solicitors and other service providers.

Revenue from State Land

The department manages the state's administered land portfolio which is made up of \$13.929 billion in reserves, \$1.662 billion in unallocated State land, \$39.4 million in freehold land, \$42.384 billion in land under roads and \$5.468 billion in leasehold land. Annual rentals and instalments are collected on land leased from the State and on various licenses and permits issued over State land under the *Land Act 1994*. Administered revenue is also generated from sales of unallocated State land and from issuing easement access across State land. The revenue from sales can vary significantly from year to year as they are largely application driven.

Mineral and Petroleum Rentals

Annual rent is collected on various permits, authorities, licenses and leases issued under the *Mineral Resources Act 1989*, the *Petroleum Act 1923*, the *Geothermal Energy Act 2010* and the *Petroleum and Gas (Production and Safety) Act 2004*.

Resource Tenure Application Processing Fees

Revenue is collected for resource tenure applications and associated dealings under the *Mineral Resources Act 1989*, the *Petroleum and Gas (Production and Safety) Act 2004*, the *Petroleum Act 1923*, the *Geothermal Energy Act 2010*, and the *Greenhouse Gas Storage Act 2009*.

Note: Financial statements and variance explanations in relation to Administered Items appear in the Departmental Financial Statements.

CAPITAL

Capital program

The total capital investment for the Department of Natural Resources and Mines in 2013-14 will be \$17.7 million.

The Streamlining of the Mining Tenure Approval Process project will invest \$3.8 million in 2013-14 (from a total investment of \$10.7 million) which includes a deferral from 2012-13 of \$1.3 million. This technology platform will transform Queensland's tenure management model into a modern online service delivery environment and further strengthen Queensland's attractiveness for resource investment.

The Automated Titling System project will invest \$3.4 million from a total investment of \$5.9 million over three years for modifications and enhancements to the Automatic Titling System including development and implementation of a new software platform.

Other capital investments include:

- Computer software modifications for critical business systems including spatial information systems
- Minor plant and equipment acquisitions and enhancements for departmental assets
- Minor leasehold improvements to buildings and accommodation.

Capital budget statement

Department of Natural Resources and Mines	Notes	2012-13 Budget \$'000	2012-13 Est. Actual \$'000	2013-14 Estimate \$'000
Capital Purchases¹				
Total land, buildings and infrastructure		1,542	1,542	1,542
Total plant and equipment		..	2,730	4,274
Total other capital		18,253	12,074	11,870
Total Capital Purchases		19,795	16,346	17,686

Notes:

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

BUDGETED FINANCIAL STATEMENTS

ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

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

Departmental income statement

Total expenses are estimated to be \$479.5 million in 2013-14, a decrease of \$18.2 million from the 2012-13 Budget. The decrease is primarily due to the full year impact of the savings initiatives announced in the 2012-13 Budget including:

- Major legislative and operational reforms which will streamline business processes and reduce regulatory and administrative burden for land and water services
- Realising efficiencies in handling complaints and compliance to resource assessment processes
- Realising administrative savings upon implementing the Streamlining Mining Tenure Approval process project to introduce online electronic services
- Streamlining corporate services and support functions.

Total expenses for the 2012-13 Estimated Actual is \$555.5 million, an increase of \$57.8 million from the 2012-13 Budget. The increase is primarily due to the reimbursement for the cost of redundancies related to the fiscal repair measures announced in the 2012-13 Budget and increased Australian Government grants under projects such as Caring for Our Country, Water for the Future and projects funded under Natural Disaster Relief and Recovery Arrangements.

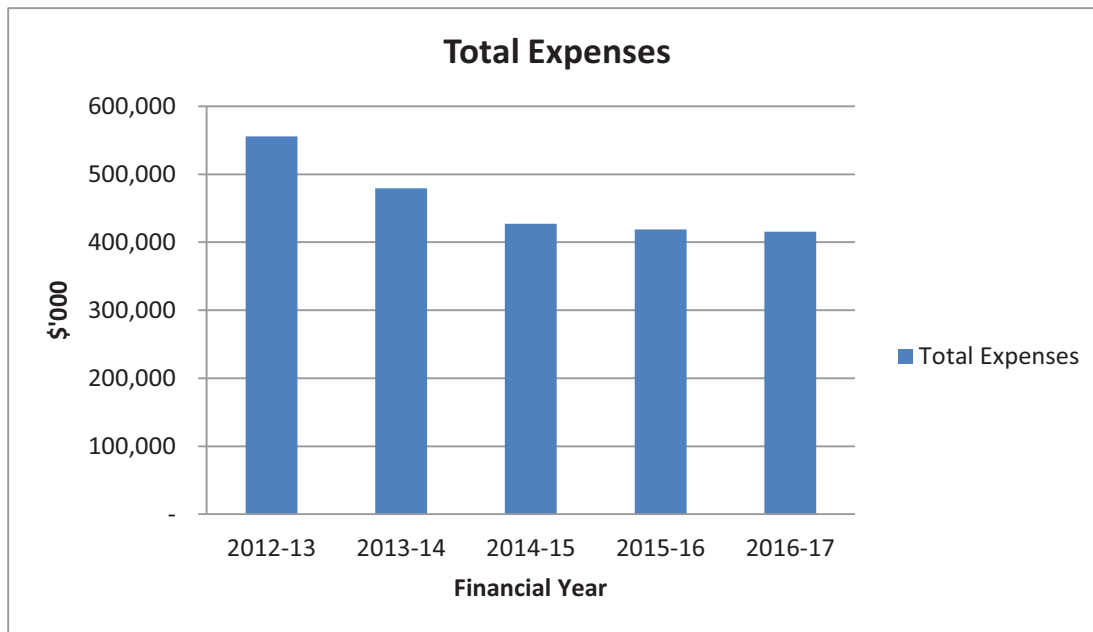
The major expenses for the department in 2013-14 consist of:

- Employee expenses of \$235.2 million (49.1 per cent of total)
- Supplies and services of \$163.8 million (34.1 per cent of total)
- Grants and subsidies of \$58.9 million (12.3 per cent of total).

The department raises almost a third of its revenue from sources other than State appropriation including:

- Industry charges which fund the Mine Safety and Health and Petroleum and Gas functions
- User charges revenue, predominantly for maps, cadastral and title searches, storage fees for explosives and other fee for service activities provided by units such as SIMTARS
- Funding from the Australian Government in relation to specific initiatives including Water for the Future Program and the Great Artesian Basin Sustainability Initiative
- Australian Government contributions for the Carbon Geostorage Initiative.

Chart: Total departmental expenses across the Forward Estimates period



Departmental balance sheet

The department's major assets are in plant and equipment (\$175.6 million) and intangibles (\$42.7 million). Investment in Intangibles is expected to remain stable over the next three years. Plant and equipment, which includes land and buildings, is subject to market fluctuations through annual revaluations.

The department's main liabilities relate to payables for accrued employee benefits, and trade creditors which are expected to remain at stable levels over the Forward Estimates period.

INCOME STATEMENT

Department of Natural Resources and Mines	Notes	2012-13 Budget \$'000	2012-13 Est. Act. \$'000	2013-14 Estimate \$'000
Income				
Service revenue	1,5,10	379,971	413,280	320,693
User charges		66,800	65,063	67,797
Grants and other contributions		46,489	47,710	48,726
Other revenue	6,11	4,464	4,464	42,302
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		497,724	530,517	479,518
Expenses				
Employee expenses	2,7,12	239,582	266,824	235,236
Supplies and services	3,8,13	202,823	166,844	163,799
Grants and subsidies	4,9,14	33,969	100,399	58,903
Depreciation and amortisation		13,989	13,989	15,561
Finance/borrowing costs		..	..	..
Other expenses		7,324	7,424	5,982
Losses on sale/revaluation of property, plant and equipment and investments		37	37	37
Total expenses		497,724	555,517	479,518
OPERATING SURPLUS/(DEFICIT)		..	(25,000)	..

STATEMENT OF CHANGES IN EQUITY

Department of Natural Resources and Mines	Notes	2012-13 Budget \$'000	2012-13 Est. Act. \$'000	2013-14 Estimate \$'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		..	..	..
Surplus/(deficit) for the period	15	..	(25,000)	..
Total recognised income and expense for the period		..	(25,000)	..
Equity injection/(withdrawal)	16,17	7,384	3,935	3,393
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		7,384	(21,065)	3,393

BALANCE SHEET

Department of Natural Resources and Mines	Notes	2012-13 Budget \$'000	2012-13 Est. Act. \$'000	2013-14 Estimate \$'000
CURRENT ASSETS				
Cash assets	18,26	88,075	12,813	16,218
Receivables	19,27	21,993	30,586	30,586
Other financial assets		..	..	..
Inventories		2,555	2,292	2,292
Other		1,029	879	879
Non-financial assets held for sale		218	218	218
Total current assets		113,870	46,788	50,193
NON-CURRENT ASSETS				
Receivables		60	..	..
Other financial assets		..	..	..
Property, plant and equipment	20,28,34	212,501	183,362	175,581
Intangibles	21,29,35	37,169	34,910	42,679
Other		..	..	..
Total non-current assets		249,730	218,272	218,260
TOTAL ASSETS		363,600	265,060	268,453
CURRENT LIABILITIES				
Payables		9,842	9,726	9,726
Accrued employee benefits		7,230	6,868	6,868
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	22,30	59,028	7,953	7,953
Total current liabilities		76,100	24,547	24,547
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	..	..
TOTAL LIABILITIES		76,100	24,547	24,547
NET ASSETS/(LIABILITIES)		287,500	240,513	243,906
EQUITY				
Capital/contributed equity	23,31	287,500	257,380	260,773
Accumulated surplus/(accumulated deficit)	24,32	..	(28,472)	(28,472)
Reserves:				
- Asset revaluation surplus	25,33	..	11,605	11,605
- Other		..	..	..
TOTAL EQUITY		287,500	240,513	243,906

CASH FLOW STATEMENT

Department of Natural Resources and Mines	Notes	2012-13 Budget \$'000	2012-13 Est. Act. \$'000	2013-14 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts	36,43,49	383,885	417,194	320,693
User charges		66,800	65,063	67,797
Grants and other contributions		46,489	47,710	48,726
Other	44,50	4,464	4,464	42,302
Outflows:				
Employee costs	37,45,51	(239,582)	(266,824)	(235,236)
Supplies and services	38,46,52	(202,823)	(166,844)	(163,799)
Grants and subsidies	39,47,53	(33,969)	(100,399)	(58,903)
Borrowing costs		..	..	..
Other	40,54	(7,324)	(39,010)	(5,982)
Net cash provided by/(used in) operating activities		17,940	(38,646)	15,598
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		4	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	41	(17,695)	(14,246)	(15,586)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		(17,691)	(14,246)	(15,586)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	42,48	10,558	7,109	6,979
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		(3,086)	(3,086)	(3,586)
Net cash provided by/(used in) financing activities		7,472	4,023	3,393
Net increase/(decrease) in cash held		7,721	(48,869)	3,405
Cash at the beginning of financial year		80,354	61,682	12,813
Cash transfers from restructure		..	..	..
Cash at the end of financial year		88,075	12,813	16,218

ADMINISTERED INCOME STATEMENT

Department of Natural Resources and Mines	Notes	2012-13 Budget \$'000	2012-13 Est. Act. \$'000	2013-14 Estimate \$'000
Revenues				
Commonwealth grants		..	..	..
Taxes, fees and fines	55,58,61	287,192	281,192	309,566
Royalties, property income and other territorial Revenue	56,59,62	162,325	168,325	180,937
Interest		2,166	2,166	2,166
Administered revenue		1,468	1,471	1,284
Other	60,63	255,017	251,017	239,771
Total revenues		708,168	704,171	733,724
Expenses				
Supplies and services		64	64	64
Depreciation and amortisation		305	425	425
Grants and subsidies		1,284	1,287	1,100
Benefit payments		..	..	..
Borrowing costs		..	..	..
Other	57,64	50,220	550,100	50,100
Total expenses		51,873	551,876	51,689
Net surplus or deficit before transfers to Government		656,295	152,295	682,035
Transfers of administered revenue to Government		476,295	472,295	502,035
OPERATING SURPLUS/(DEFICIT)		180,000	(320,000)	180,000

ADMINISTERED BALANCE SHEET

Department of Natural Resources and Mines	Notes	2012-13 Budget \$'000	2012-13 Est. Act. \$'000	2013-14 Estimate \$'000
CURRENT ASSETS				
Cash assets	65,73	62,719	49,657	49,657
Receivables		36,837	35,600	35,600
Inventories		..	..	..
Other		..	..	..
Non-financial assets held for sale		3,127	4,094	4,094
Total current assets		102,683	89,351	89,351
NON-CURRENT ASSETS				
Receivables	66,74,80	45,624	41,134	36,634
Other financial assets		..	..	..
Property, plant and equipment	67,75,81	64,394,105	63,878,961	64,043,669
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		64,439,729	63,920,095	64,080,303
TOTAL ADMINISTERED ASSETS		65,542,412	64,009,446	64,169,654
CURRENT LIABILITIES				
Payables	68,76	40,775	4,963	4,963
Transfers to Government payable	69,77	..	2,489	2,489
Interest-bearing liabilities		..	..	..
Other	70,78	62,591	51,506	51,506
Total current liabilities		103,366	58,958	58,958
NON-CURRENT LIABILITIES				
Payables		232	262	262
Interest-bearing liabilities		..	..	..
Other		..	..	..
Total non-current liabilities		232	262	262
TOTAL ADMINISTERED LIABILITIES		103,598	59,220	59,220
ADMINISTERED NET ASSETS/(LIABILITIES)		64,438,814	63,950,226	64,110,434
EQUITY				
Capital/Contributed equity	71	66,233,704	66,253,174	66,233,382
Accumulated surplus/(Accumulated deficit)	72,79,82	(1,794,890)	(2,302,993)	(2,122,993)
Reserves:		..	..	..
- Asset revaluation surplus		..	45	45
- Other		..	..	..
TOTAL ADMINISTERED EQUITY		64,438,814	63,950,226	64,110,434

ADMINISTERED CASH FLOW STATEMENT

Department of Natural Resources and Mines	Notes	2012-13 Budget \$'000	2012-13 Est. Act. \$'000	2013-14 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Administered item receipts	83	1,468	8,095	1,284
Grants and other contributions	84	4,000	..	..
Taxes, fees and fines	85,87,91	287,192	281,192	309,566
Royalties, property income and other territorial revenues	86,88	162,325	180,953	180,937
Other		1,946	2,271	1,946
Outflows:				
Transfers to Government	89,92	(476,295)	(480,356)	(502,035)
Grants and subsidies		(1,284)	(3,305)	(1,100)
Supplies and services		(64)	(64)	(64)
Borrowing costs		..	..	..
Other		(5,000)	(5,000)	(5,000)
Net cash provided by/(used in) operating activities		(25,712)	(16,214)	(14,466)
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment	90,93	43,709	43,709	31,738
Investments redeemed		..	..	..
Loans and advances redeemed		12,000	12,000	12,000
Outflows:				
Payments for property, plant and equipment and intangibles		(2,100)	(2,100)	(2,100)
Payments for investments		..	..	..
Loans and advances made		(7,500)	(7,500)	(7,500)
Net cash provided by/(used in) investing activities		46,109	46,109	34,138
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		2,100	2,100	2,100
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments				
Equity withdrawals		(22,497)	(22,497)	(21,772)
Net cash provided by/(used in) financing activities		(20,397)	(20,397)	(19,672)
Net increase/(decrease) in cash held		..	9,498	..
Administered cash at beginning of financial year		62,719	40,159	49,657
Cash transfers from restructure		..	..	..
Administered cash at end of financial year		62,719	49,657	49,657

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2012-13 Budget and 2012-13 Estimated actual include:

1. The increase is primarily due to the reimbursement for the cost of redundancies related to the fiscal repair measures announced in the 2012-13 Budget (at the time of the 2012-13 Budget, the cost of redundancies was held centrally), Australian Government funding for Water for the Future Program and functions transferring between departments.
2. The increase is primarily due to the reimbursement for the cost of redundancies related to the fiscal repair measures announced in the 2012-13 Budget (at the time of the 2012-13 Budget, the cost of redundancies was held centrally) and the transfer of the Office of Groundwater Impact Assessment function from the Department of Energy and Water Supply from 1 January 2013.
3. The decrease is primarily due to deferrals for programs such as the Carbon Geostorage Initiative and Greenfields 2020, Water Metering Program and a reduction in Strategic Cropping Land estimates.
4. The increase primarily relates to Australian Government grants under projects such as Caring for Our Country and Water for the Future, as well as Natural Disaster Relief and Recovery Arrangements (NDRRA) projects.

Major variations between 2012-13 Budget and 2013-14 Estimate include:

5. The decrease is primarily due to the conversion of appropriation funding for the Safety and Health levy and Petroleum and Gas fee revenue to controlled revenue from 2013-14 and the full year impact of savings initiatives outlined in the 2012-13 Budget.
6. The increase is primarily due to the reclassification of the Safety and Health Levy and Petroleum and Gas fee revenue to controlled revenue from 2013-14.
7. The decrease is primarily due to the full year impact of savings initiatives outlined in the 2012-13 Budget, partially offset by increases in enterprise bargaining payments and the transfer of the Office of Groundwater Impact Assessment function from the Department of Energy and Water Supply from 1 January 2013.
8. The decrease is primarily due to the full year impact of savings initiatives announced in the 2012-13 Budget and a realignment of expense categories.
9. The increase primarily relates to expenditure on the NDRRA On-farm Productivity and Riparian Recovery programs, Queensland Regional NRM Investment Program, and a deferral for the Greenfields 2020 initiative from 2012-13.

Major variations between 2012-13 Estimated actual and the 2013-14 Estimate include:

10. The decrease is primarily due to a reduction in funding due to the cost of redundancies related to the fiscal repair measures announced in the 2012-13 Budget completed in 2012-13, the full year impact of savings initiatives announced in the 2012-13 Budget, and due to the conversion of appropriation funding for the Safety and Health Levy and Petroleum and Gas fee revenue to controlled revenue from 2013-14.
11. The increase is primarily due to the reclassification of the Safety and Health Levy and Petroleum and Gas fee revenue to controlled revenue from 2013-14.
12. The decrease is primarily due to the cost of redundancies related to the fiscal repair measures announced in the 2012-13 Budget completed in 2012-13, partially offset by increases in enterprise bargaining payments and the transfer of the Office of Groundwater Impact Assessment function from the Department of Energy and Water Supply from 1 January 2013.
13. The decrease is primarily due to the full year impact of savings initiatives to be realised in 2013-14, partially offset by additional funding for the Geological Survey of Queensland and deferrals for programs such as the Carbon Geostorage Initiative, Greenfields 2020 and Water Metering Program into 2013-14.
14. The decrease primarily relates to the higher Australian Government funding in 2012-13 for the Caring for Our Country and Water for the Future programs.

Statement of changes in equity

Major variations between 2012-13 Budget and 2012-13 Estimated actual include:

15. The movement primarily relates to the use of cash reserves for the Australian Government's Caring for Our Country grants program which was received in the 2011-12 financial year but expended in 2012-13 resulting in a budget deficit in 2012-13.
16. The decrease relates predominantly to deferrals for the Streamlining of Mining Tenure Approvals Process and the Automated Titling system as part of the National Electronic Conveyancing implementation project.

Major variations between 2012-13 Budget and 2013-14 Estimate include:

17. The decrease relates predominantly to a higher equity injection in 2012-13 associated with machinery-of-Government changes.

Balance sheet

Major variations between 2012-13 Budget and 2012-13 Estimated actual include:

18. The decrease primarily relates to the use of cash reserves for the Australian Government's Caring for Our Country grants program which was received in the 2011-12 financial year but expended in 2012-13 and the return of deposits for land purchases to the Department of Education, Training and Employment.
19. The increase relates to fluctuations in accrued revenue and whole of Government centralised leave schemes between years.
20. The decrease primarily relates to decrements in the value of land and buildings from the end of the 2011-12 financial year which are subject to market fluctuations through annual revaluations.
21. The decrease is predominantly due to deferrals for the Streamlining of Mining Tenure Approvals Process and the Automated Titling system as part of the National Electronic Conveyancing implementation project.
22. The decrease primarily relates to the return of deposits for land and buildings held for sale to the Department of Education, Training and Employment.
23. The decrease primarily relates to decrements in the value of land and buildings from the end of the 2011-12 financial year, which are subject to market fluctuations through annual revaluations.
24. The decrease primarily relates to the use of cash reserves for the Australian Government's Caring for Our Country grants program which was received in the 2011-12 financial year but expended in 2012-13 resulting in a budget deficit in 2012-13.
25. The increase relates to an asset revaluation reserve for infrastructure assets which was established at the end of 2011-12 through revaluation and the extension of the useful life of the assets.

Major variations between 2012-13 Budget and 2013-14 Estimate include:

26. The decrease predominantly relates to the use of cash reserves for the Australian Government's Caring for Our Country grants program which was received in 2011-12 financial year but expended in 2012-13 and the return of deposits for land purchases to the Department of Education, Training and Employment.
27. The increase relates to fluctuations in accrued revenue and whole of Government centralised leave schemes between years.
28. The decrease primarily relates to decrements in the value of land and buildings from the end of the 2011-12 financial year, which are subject to market fluctuations through annual revaluations and less than anticipated investment in plant and equipment in 2012-13.
29. The increase predominantly relates to deferrals from 2012-13 for the Streamlining of Mining Tenure Approvals Process and the Automated Titling System as part of the National Electronic Conveyancing implementation project.
30. The decrease primarily relates to the return of deposits for land and buildings held for sale to the Department of Education, Training and Employment.
31. The decrease primarily relates to decrements in value of land and buildings from the end of the 2011-12 financial year as a result of the annual revaluations of the department's land and buildings which is subject to market fluctuations.
32. The decrease primarily relates to the use of cash reserves for the Australian Government's Caring for Our Country grants program which was received in the 2011-12 financial year but expended in 2012-13 resulting in a budget deficit in 2012-13.

33. The increase relates to an asset revaluation reserve for infrastructure assets which was established at the end of 2011-12 through revaluation and the extension of the useful life of the assets.

Major variations between 2012-13 Estimated actual and the 2013-14 Estimate include:

34. The decrease primarily relates to decrements in the value of land and buildings from the end of the 2011-12 financial year, which are subject to market fluctuations through annual revaluations and less than anticipated investment in plant and equipment in 2012-13.
35. The increase predominantly relates to deferrals from 2012-13 for the Streamlining of Mining Tenure Approvals Process and Automated Titling System as part of the National Electronic Conveyancing implementation project.

Cash flow statement

Major variations between 2012-13 Budget and 2012-13 Estimated actual include:

36. The increase is primarily due to the reimbursement for the cost of redundancies related to the fiscal repair measures announced in the 2012-13 Budget (at the time of the 2012-13 Budget, the cost of redundancies was held centrally), Australian Government funding for Water for the Future Program and functions transferring between departments.
37. The increase is primarily due to the cost of redundancies related to the fiscal repair measures announced in the 2012-13 Budget (at the time of the 2012-13 Budget, the cost of redundancies was held centrally), and the transfer of the Office of Groundwater Impact Assessment function from the Department of Energy and Water Supply from 1 January 2013.
38. The decrease is primarily due to deferrals for programs such as Carbon Geostorage Initiative, Greenfields 2020, Water Metering Program and a reduction in Strategic Cropping Land estimates.
39. The increase primarily relates to Australian Government funded projects such as Caring for Our Country and Water for the Future.
40. The increase relates to a repayment of a deposit to the Department of Education, Training and Employment paid to the department for the purchase of future parcels of land which did not progress.
41. The decrease primarily relates to the deferral of capital projects for the Streamlining of Mining Tenure Approvals Process and Automated Titling System as part of the National Electronic Conveyancing implementation.
42. The decrease primarily relates to the deferral of capital projects for the Streamlining of Mining Tenure Approvals Process and Automated Titling System as part of the National Electronic Conveyancing implementation.

Major variations between 2012-13 Budget and 2013-14 Estimate include:

43. The decrease is primarily due to the conversion of appropriation funding for the Safety and Health levy and Petroleum and Gas fee revenue to controlled revenue from 2013-14 and the full year impact of savings initiatives outlined in the 2012-13 Budget.
44. The increase is primarily due to the reclassification of the Safety and Health Levy and Petroleum and Gas fee revenue to controlled revenue from 2013-14.
45. The decrease is primarily due to the full year impact of savings initiatives offset by increases in enterprise bargaining payments and the transfer of the Office of Groundwater Impact Assessment function from the Department of Energy and Water Supply from 1 January 2013.
46. The decrease is primarily due to the full year impact of savings initiatives announced in the 2012-13 Budget and a re-alignment of expense categories.
47. The increase primarily relates to expenditure on the NDRRA funded On-farm Productivity and Riparian Recovery programs and the Queensland Regional NRM Investment Program.
48. The decrease primarily relates to the deferral of capital projects for the Streamlining of Mining Tenure Approvals Process and Automated Titling System as part of the National Electronic Conveyancing implementation.

Major variations between 2012-13 Estimated actual and the 2013-14 Estimate include:

49. The decrease is primarily due to a reduction in funding due to the cost of redundancies related to the fiscal repair measures announced in the 2012-13 Budget completed in 2012-13, the full year impact of savings initiatives outlined in the 2012-13 Budget and due to the conversion of appropriation funding for the Safety and Health Levy and Petroleum and Gas fee revenue to controlled revenue from 2013-14.
50. The increase is primarily due to the reclassification of the Safety and Health Levy and Petroleum and Gas fee revenue to controlled revenue from 2013-14.

51. The decrease is primarily due to the cost of redundancies related to the fiscal repair measures announced in the 2012-13 Budget completed in 2012-13, partially offset by increases in enterprise bargaining payments and the transfer of the Office of Groundwater Impact Assessment function from the Department of Energy and Water Supply from 1 January 2013.
52. The decrease is primarily due to the full year impact of savings initiatives to be realised in 2013-14, partially offset by additional funding for the Geological Survey of Queensland and deferrals for programs such as the Carbon Geostorage Initiative, Greenfields 2020 and Water Metering Program into 2013-14.
53. The decrease primarily relates to the higher Australian Government funding in 2012-13 for the Caring for Our Country and Water for the Future programs.
54. The decrease relates to a repayment of a deposit in 2012-13 to the Department of Education, Training and Employment paid to the department for the purchase of future parcels of land which did not progress.

Administered income statement

Major variations between 2012-13 Budget and 2012-13 Estimated actual include:

55. The decrease relates primarily to lower than anticipated levels of Titles registration fees collected which is subject to activities in the property market.
56. The increase relates primarily to growth in land rental revenue.
57. The increase relates to anticipated decrements in land which is subject to annual revaluations. This is reflected in the Income Statement as the department does not have an Asset Revaluation Reserve for land due to accounting requirements following machinery-of-Government changes.

Major variations between 2012-13 Budget and 2013-14 Estimate include:

58. The increase relates primarily to increased estimates for Competitive Cash Bidding and Titles registration fees partially offset by a reclassification of the Safety and Health Levy and Petroleum and Gas fee revenue to controlled revenue from 2013-14.
59. The increase relates primarily to growth in fees collected for land rental revenue.
60. The decrease relates to an expected reduction in gains of the sale of land.

Major variations between 2012-13 Estimated actual and the 2013-14 Estimate include:

61. The increase relates primarily to increased estimates for Competitive Cash Bidding and Titles registration fees partially offset by a reclassification of the Safety and Health Levy and Petroleum and Gas fee revenue to controlled revenue from 2013-14.
62. The increase relates primarily to growth in land rental revenue.
63. The decrease relates to an expected reduction in gains of the sale of land.
64. The decrease is due to a decrement in land anticipated in 2012-13.

Administered balance sheet

Major variations between 2012-13 Budget and 2012-13 Estimated actual include:

65. The decrease predominantly relates to the re-alignment of the balance sheet to correctly reflect balances for post machinery-of-Government adjustments.
66. The non-current receivable, representing instalments on freehold leases, is expected to fall as leases mature.
67. The movement in property, plant and equipment relates mainly to changes in land value as a result of the annual revaluation process.
68. The decrease relates to a realignment of grants payable to the Department of Energy and Water Supply at the end of the 2011-12 financial year.
69. The increase relates to administered receipts to be returned to the Consolidated Fund at year end.
70. The decrease predominantly relates to a reduction in unearned revenues with regard to mining leases.
71. The increase predominantly relates to the re-alignment of the balance sheet at the end of the 2011-12 financial year to correctly reflect balances for post machinery-of-Government adjustments.
72. The increase relates to decrements in land which is subject to annual revaluations. This is reflected in the Income Statement as the department does not have an Asset Revaluation Reserve for land in this asset category.

Major variations between 2012-13 Budget and 2013-14 Estimate include:

73. The decrease predominantly relates to the re-alignment of the balance sheet at the end of the 2011-12 financial year to correctly reflect balances for post machinery-of-Government adjustments.
74. The non-current receivable, representing instalments on freehold leases, is expected to fall as leases mature.
75. The movement in property, plant and equipment relates mainly to anticipated changes in land value as a result of the annual revaluation process and transfers between departments.
76. The decrease relates to a realignment of grants payable to the Department of Energy and Water Supply.
77. The increase relates to administered receipts to be returned to the consolidated fund at year end.
78. The decrease predominantly relates to a reduction in unearned revenues with regard to mining leases.
79. The increase relates to decrements in land which is subject to annual revaluations. This is reflected in the Income Statement as the department does not have an Asset Revaluation Reserve for land in this asset category.

Major variations between 2012-13 Estimated actual and the 2013-14 Estimate include:

80. The non-current receivable, representing instalments on freehold leases, is expected to fall as leases mature.
81. The movement in property, plant and equipment relates mainly to anticipated changes in land value as a result of the annual revaluation process and transfers between departments.
82. The decrease relates to decrements in land which is subject to annual revaluations. This is reflected in the Income Statement as the department does not have an Asset Revaluation Reserve for land in this asset category.

Administered cash flow statement

Major variations between 2012-13 Budget and 2012-13 Estimated actual include:

83. The increase relates to ex gratia payments for the Hopevale Community, which was previously held centrally.
84. The decrease relates to a realignment of capital grants to the Department of Energy and Water Supply.
85. The decrease relates primarily to a lower than anticipated Titles registration fees collected which is subject to activities in the property market.
86. The increase relates primarily to growth in land rental revenue.

Major variations between 2012-13 Budget and 2013-14 Estimate include:

87. The increase relates primarily to increased estimates for Competitive Cash Bidding and Titles registration fees partially offset by the reclassification of the Safety and Health Levy and Petroleum and Gas fee revenue to controlled revenue from 2013-14.
88. The increase relates primarily to growth in fees collected for land rental revenue.
89. The variance relates to increased administered receipts being returned to the Consolidated Fund.
90. The decrease relates to an expected reduction in gains of the sale of land.

Major variations between 2012-13 Estimated actual and the 2013-14 Estimate include:

91. The increase relates primarily to increased estimates for Competitive Cash Bidding and increased estimates in Titles registration fees, partially offset by the reclassification of the Safety and Health Levy and Petroleum and Gas fee revenue to controlled revenue from 2013-14.
92. The variance relates to increased administered receipts being returned to the Consolidated Fund.
93. The decrease relates to an expected reduction in gains on the sale of land.

GLOSSARY OF TERMS

Accrual Accounting — 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.

Administered Items — Assets, liabilities, revenues and expenses an entity administers, without discretion, on behalf of the Government.

Agency/Entity — 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.

Appropriation — Funds issued by the Treasurer, under Parliamentary authority, to agencies during a financial year for:

- delivery of agreed services
- administered items
- adjustment of the Government’s equity in agencies, including acquiring of capital.

Balance Sheet — A financial statement that reports the assets, liabilities and equity of an entity as at a particular date.

Capital — 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.

Cash Flow Statement — A financial statement reporting the cash inflows and outflows for an entity’s operating, investing and financing activities in a particular period.

Controlled Items — 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.

Depreciation — The periodic allocation of the cost of physical assets, representing the amount of the asset consumed during a specified time.

Equity — 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.

Equity Injection	— An increase in the investment of the Government in a public sector agency.
Financial Statements	— Collective description of the Income Statement, the Balance Sheet and the Cash Flow Statement for an entity's controlled and administered activities.
Income Statement	— 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.
Outcomes	— Whole-of-government outcomes are intended to cover all dimensions of community well being. They express the current needs and future aspirations of communities, within a social, economic and environment context.
Own-Source Revenue	— Revenue that is generated by an agency, generally through the sale of goods and services, but it may also include some Commonwealth funding.
Priorities	— Key policy areas that will be the focus of Government activity.
Services	— The actions or activities (including policy development) of an agency which contribute to the achievement of the agency's objectives.

For a more detailed Glossary of Terms, please refer to the Reader's Guide available on the Budget website at www.budget.qld.gov.au.

