

State Budget 2013-14

Service Delivery Statements

Department of Tourism, Major Events, Small Business
and the Commonwealth Games



2013–14 State Budget Papers

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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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Department of Tourism, Major Events, Small Business and the Commonwealth Games

Summary of portfolio budgets

Page	Agency	2012-13 Budget \$'000	2012-13 Est. Actual \$'000	2013-14 Estimate \$'000
2	Department of Tourism, Major Events, Small Business and the Commonwealth Games – controlled	51,281	51,042	99,992
	Department of Tourism, Major Events, Small Business and the Commonwealth Games – administered	102,515	87,958	108,472
26	Gold Coast 2018 Commonwealth Games Corporation	10,055	9,325	16,515
34	Tourism and Events Queensland	117,932	108,645	118,860

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 Tourism, Major Events, Small Business and the Commonwealth Games:

Minister for Tourism, Major Events, Small Business and the Commonwealth Games
The Honourable Jann Stuckey, MP

Assistant Minister for Tourism
Gavin King, MP

Department of Tourism, Major Events, Small Business and the Commonwealth Games
Director-General: Richard Eden

Service Area 1: Tourism and Events Development

Service Area 2: Business to Government Services

Gold Coast 2018 Commonwealth Games Corporation
CEO: Mark Peters

Objective: To plan, organise and deliver the Commonwealth Games, in conjunction with the Australian Commonwealth Games Association and Commonwealth Games Federation.

Tourism and Events Queensland
CEO: Steven Wright

Objective: Tourism and Events Queensland is the Queensland Government's lead marketing, experience and destination development, and major events agency, representing the state's tourism and events industries.

Additional information about these agencies can be sourced from:

- www.dtesb.qld.gov.au
- www.gc2018.com
- www.tourismeventsqueensland.com.au

RESOURCES AND PERFORMANCE

DEPARTMENTAL OVERVIEW

Strategic direction

The Department of Tourism, Major Events, Small Business and the Commonwealth Games (DTESB) has key goals to double annual overnight visitor expenditure to \$30 billion by 2020 and ensure small business satisfaction with business to government services.

The department will contribute to the Government's objectives for the community to:

- grow a four pillar economy through actions aimed at increasing visitor expenditure by an average of 6% per annum between 2010 and 2020
- deliver better infrastructure and better planning—through aviation and tourism investment attraction strategies, and by ensuring the Commonwealth Games provides a legacy for Queensland
- revitalise front-line services—through continued improvement to business' ability to transact with Government through the business and industry portal.

The department is committed to continuing to engage with the tourism industry to further progress actions from the inaugural *DestinationQ* forum and to prepare for the next stages in our *DestinationQ* Blueprint for 2013-15.

Queensland's 412,000 small businesses are the engine room of the Queensland economy, and recent flood events have tested their endurance. Promoting Queensland's business resilience and continued opportunities for investment are critical to maintain the confidence of the economy, and ensure ongoing benefits for businesses across all industries, including the tourism industry.

The department will continue to develop an open channel of communication with business through further enhancement of our business and industry portal (www.business.qld.gov.au). Our online portal will continue to ensure Queenslanders have access to a one-stop shop for business, available 24 hours a day, seven days a week.

During 2013-14, the department will:

- deliver the second *DestinationQ* forum on the Gold Coast to support the Government's objective to continue a partnership with industry
- implement a new 20-year plan for tourism
- progress planning for the Gold Coast 2018 Commonwealth Games
- finalise the Games Legacy Plan for Queensland
- commence development of the Commonwealth Games Village in collaboration with the Department of State Development, Infrastructure and Planning
- implement a Queensland Small Business Strategy and Action Plan 2013-2015 detailing the Queensland Government's programs and actions supporting small businesses
- deliver the inaugural Queensland Small Business Week to promote the importance of small businesses to the Queensland economy and to educate the business community on the Queensland Government's business support services
- develop a central strategy for business-related services across the Queensland Government to support the business and industry portal of the Queensland Government's one-stop shop.

During 2012-13 key achievements for the department included:

- consolidated the landmark *DestinationQ* Partnership Agreement between Government and the Queensland Tourism Industry Council, and coordinated progress by the partners against the priorities set out in the 12 Month Key Action Plan
- administered the Attracting Aviation Investment Fund, under which airline route incentives have been provided to support China Eastern's direct flights from Shanghai to Cairns and the extension of Air New Zealand flights from Auckland to the Sunshine Coast. This proactive approach has resulted in many other direct routes into Queensland without recourse to this fund
- attracted additional capital of \$24.1 million into tourism investment by:
 - facilitating investment opportunities for Queensland companies, including inbound and outbound investment missions; and
 - launching the Guide to Hotel Investment in Brisbane and facilitating the Tourism Investment Forum
- contributed to the Queensland Ecotourism Plan and advocated for improved investor conditions reflected in legislative reforms, and played a major role in developing a general expression of interest process seeking investment from the private sector in ecotourism projects
- developed the Queensland Drive Tourism Strategy, which identified 29 initiatives to improve signage, road quality, camping options, roadside rest areas and high quality tourist information
- contributed to development of the new State Planning Policy (SPP). Led by the Department of State Development, Infrastructure and Planning, the new SPP recognises for the first time tourism as a State interest. The aim is to facilitate growth, development and economic activity in Queensland's tourism sector by recognising the diverse and unique needs of tourism oriented developments, as well as the positive economic, social and environmental benefits that tourism provides
- progressed preparations for the Gold Coast 2018 Commonwealth Games, including finalising the Commonwealth Games Village Business Case and commencing development of a Commonwealth Games venue and village master plan
- commenced redevelopment of the Gold Coast Aquatic Centre
- facilitated the passage of the *Commonwealth Games Arrangements (Brand Protection) Amendment Act 2013* and the *Tourism and Events Queensland Act 2012*
- commenced State-wide consultation on the Commonwealth Games Legacy Plan for Queensland
- streamlined services to businesses assisted by Queensland Government online service delivery and achieved approximately \$60 million of efficiency savings for business and approximately \$100 million of costs avoided by businesses
- delivered simplified online services and information consumed by over 1,000,000 visitors to the Queensland Government business and industry portal with an overall customer satisfaction level of 80%
- Through the business and industry portal the department:
 - released approximately 150 interactive PDFs or 'SmartForms' for State and local government agencies to enable businesses to prefill data from their Australian Business Account;
 - increased online services to include 150 additional services such as the Tourism Pathways diagnostic tool and the Tourism Investment Gateway; and
 - delivered 15 targeted webinars to 900 participants on topics such as Small Business— Carbon Tax, and Digital Readiness
- assisted 80 businesses under the Mentoring for Growth program with panels of volunteer business mentors. Mentors donated approximately 640 hours, focussing on growth opportunities and commercial challenges.

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 Tourism, Major Events, Small Business and the Commonwealth Games	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	3,400	3,400	3,164
Balance of service appropriation	47,820	47,621	96,828
Other revenue	61	21	..
Total income	51,281	51,042	99,992
Expenses			
Tourism and Events Development	41,621	40,338	92,980
Business to Government Services	9,660	10,704	7,012
Total expenses	51,281	51,042	99,992
Operating surplus/deficit	..	..	..
Net assets	503	(24)	(24)
ADMINISTERED			
Revenue			
Commonwealth revenue	..	..	..
Appropriation of administered items	102,515	87,958	108,472
Other administered revenue	..	..	..
Total revenue	102,515	87,958	108,472
Expenses			
Transfers to government	..	..	..
Administered expenses	102,515	87,958	108,472
Total expenses	102,515	87,958	108,472
Net assets	..	..	..
APPROPRIATIONS			
Controlled Items			
Departmental services ¹	47,639	47,440	99,992
Equity adjustment	473	..	..
Administered items	102,515	87,958	108,472
VOTE TOTAL²	150,627	135,398	208,464

Notes:

1. Appropriation for services does not match appropriation for departmental services due to appropriation payable of \$3.58 million.
2. As represented in the 2013-14 Appropriation Bills.

Budget Measures Summary

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 Tourism, Major Events, Small Business and the Commonwealth Games	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
Revenue measures					
Administered
Departmental
Expense measures					
Administered	..	14,950	..	..	..
Departmental	..	(100)	(100)	(100)	(100)
Capital measures					
Administered
Departmental

Notes:

1. The total for 2013-14 reconciles with Budget Paper 4.

Staffing¹

Service Areas	Notes	2012-13 Budget	2012-13 Est. Actual	2013-14 Estimate
Tourism & Event Development	2,3	44	44	45
Business to Government Services	2,3	63	63	62
TOTAL		107	107	107

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. FTEs providing internal corporate services are allocated across the service to which they relate.
3. The department also participates in a partnership arrangement which provides other corporate services.

SERVICE PERFORMANCE

Services

Our service areas are:

Tourism and Events Development

This service area promotes sustainable industry growth by delivering a strategic, whole-of-Government approach to the future of tourism. It attracts investment into our State's tourism products by showcasing Queensland as an investment destination through initiatives such as a new ecotourism investment model and the Attracting Aviation Investment Fund. It also works across Government to improve the planning and approval processes for new tourism industry projects. The department delivers its Tourism and Events Development services in close partnership with Tourism and Events Queensland to ensure events attraction and tourism marketing help deliver on the Government's objective to grow tourism as one of the four pillars of the economy.

This service area also focuses on developing future events for Queensland to ensure our State benefits from the boost that major events can provide to the tourism industry and the economy. It also works in partnership with the Gold Coast 2018 Commonwealth Games Corporation to plan and prepare for the Commonwealth Games. Tourism and Events Development services help ensure industry has opportunities to invest in our State's tourism activities, and aligns with the Government's objective to deliver better infrastructure and better planning for our State.

Business to Government Services

This service area ensures the department can effectively provide information and services to business, to encourage small business growth and promote a diverse economic base for Queensland. Small businesses represent over 96% of businesses State-wide and employ almost half of all private sector workers. These businesses are essential for a vibrant Queensland economy and measures include client satisfaction with our department's services to ensure we continue to meet business and industry needs.

This service area improves business accessibility to Government information and services and encourages more effective service delivery by having feedback mechanisms connected to our existing services. It also promotes further engagement by our clients with our online services and aligns with the department's objectives to provide a stronger digital and online presence.

Red tape reduction

In 2012-13, the department contributed to the Government's commitment to red tape reduction with measures across all aspects of the portfolio, including:

- influenced national, state, and local regulatory agencies to reduce the regulatory burden on small businesses and tourism operators including submissions to the Queensland Office of Best Practice Regulation highlighting red tape reduction priorities
- implemented the Australian Business Licence and Information Service to save small businesses time and money by streamlining regulatory processes between national, state and local levels of government for businesses accessing Queensland Government online service delivery
- developed a coordinated and integrated governance structure for the Gold Coast 2018 Commonwealth Games to reduce duplication and delays between the Commonwealth Games Corporation and all levels of government.

Through initiatives such as *DestinationQ* and the Queensland Small Business Strategy and Action Plan 2013-15, the department is able to influence key departments relevant to the tourism and small business portfolio, leveraging achievements for the Government and develop a well-balanced and efficient regulatory environment that supports business productivity. Overall, 11 red tape reduction initiatives were initiated in 2012-13, with four of these delivered within the first six months of 2012-13. All remaining red tape reduction initiatives are on track for delivery within the scheduled timeframe.

Future reforms anticipated through the Public Sector Renewal Program will also benefit Queensland businesses and the broader community, through further enhancements to the department's business and industry portal.

2013-14 Service Summary

Service area	Sources of Revenue				
	Total cost \$'000	State Contribution \$'000	User Charges \$'000	C'wealth Revenue \$'000	Other Revenue \$'000
Tourism and Events Development	92,980	92,980	..	..	..
Business to Government Services	7,012	7,012	..	..	..
TOTAL	99,992	99,992	..	..	..

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 Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2012-13 Target/Est.	2012-13 Est. Actual	2013-14 Target/Est.
Service Area: Tourism and Events Development				
Service standards				
Amount of additional capital attracted into tourism investment	1	\$25 million	\$24.1 million	\$25 million
Percentage of applications for the Attracting Aviation Investment Fund evaluated within nine working days	2, 3	New measure	New measure	90%
Percentage of cross-agency tourism project milestones delivered on schedule and on budget	2, 3	New measure	New measure	80%
Level of Commonwealth Games Federation's satisfaction with preparedness for the Commonwealth Games	2, 4, 5	New measure	New measure	Satisfied
State contribution (\$000)		41,604	40,338	92,980
Other revenue (\$000)		17	..	..
Total cost (\$000)		41,621	40,338	92,980
Service Area: Business to Government Services				
Service standards				
Estimated value of efficiency savings by businesses assisted	6, 7, 8	\$55 million	\$60 million	\$60 million
Estimated value of costs avoided by businesses	6, 8	\$100 million	\$100 million	\$110 million

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2012-13 Target/Est.	2012-13 Est. Actual	2013-14 Target/Est.
Percentage of overall customer satisfaction with the usefulness of online services	2, 9	80%	80%	80%
State contribution (\$000)		9,616	10,683	7,012
Other revenue (\$000)		44	21	..
Total cost (\$000)		9,660	10,704	7,012

Notes:

1. Additional capital attracted refers to the department linking predominantly private investors with new or revitalised tourism infrastructure of project developments.
2. The department has redefined its service standards for the 2013-14 year onwards, to reflect measures of efficiency and effectiveness.
3. This is a new service standard for 2013-14.
4. This service standard has been recast from the Other Measure—The percentage of Commonwealth Games Federation planning requirements met. In this context preparedness for the Commonwealth Games refers to financial arrangements, timelines and programming for games venues and infrastructure only.
5. This standard should be considered in conjunction with the Gold Coast 2018 Commonwealth Games Corporation service standard.
6. Savings are established through an annual survey of small and medium businesses that use Queensland Government Business Online Solutions services and asks their estimate of the time saved or costs avoided as a result of using the services. Conversion to dollar amount is made by applying a methodology developed by PricewaterhouseCoopers (PwC). The method also utilises data from the 2009 PwC original study for red tape reduction savings.
7. This service standard has been amended for consistency from that published in 2012-13. The intent of the standard remains the same i.e. savings to business from online service delivery.
8. This service standard measures customer benefit in either time saved or cost avoided through using online service delivery.
9. To better report on effectiveness, this service standard was recast from the Other Measure—Percentage of customers that find online services useful. The standard and the measure are generally comparable and reflect the user satisfaction when interacting online and the usefulness of the products and services for business customers interacting online.

Administered Items

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

The Department of Tourism, Major Events, Small Business and the Commonwealth Games administers funds on behalf of the State which includes the provision of funding to the newly created entity Tourism and Events Queensland following its creation in December 2012. This newly created entity was the result of bringing together the resources and expertise of Tourism Queensland and Events Queensland.

Tourism and Events Queensland is the Queensland Government's lead marketing, experience development and major events agency, representing the state's tourism and events industries.

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

CAPITAL

Capital program

The Department of Tourism, Major Events, Small Business and the Commonwealth Games has no planned capital purchases for 2013-14 following the transfer of equity funding allocated in the 2012-13 Budget to the Department of State Development, Infrastructure and Planning for the construction of the 2018 Gold Coast Commonwealth Games Village.

Capital budget statement

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2012-13 Budget \$'000	2012-13 Est. Actual \$'000	2013-14 Estimate \$'000
Capital Purchases¹				
Total land, buildings and infrastructure		473	..	..
Total plant and equipment		16	..	..
Total other capital	
Total Capital Purchases		489	..	..

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

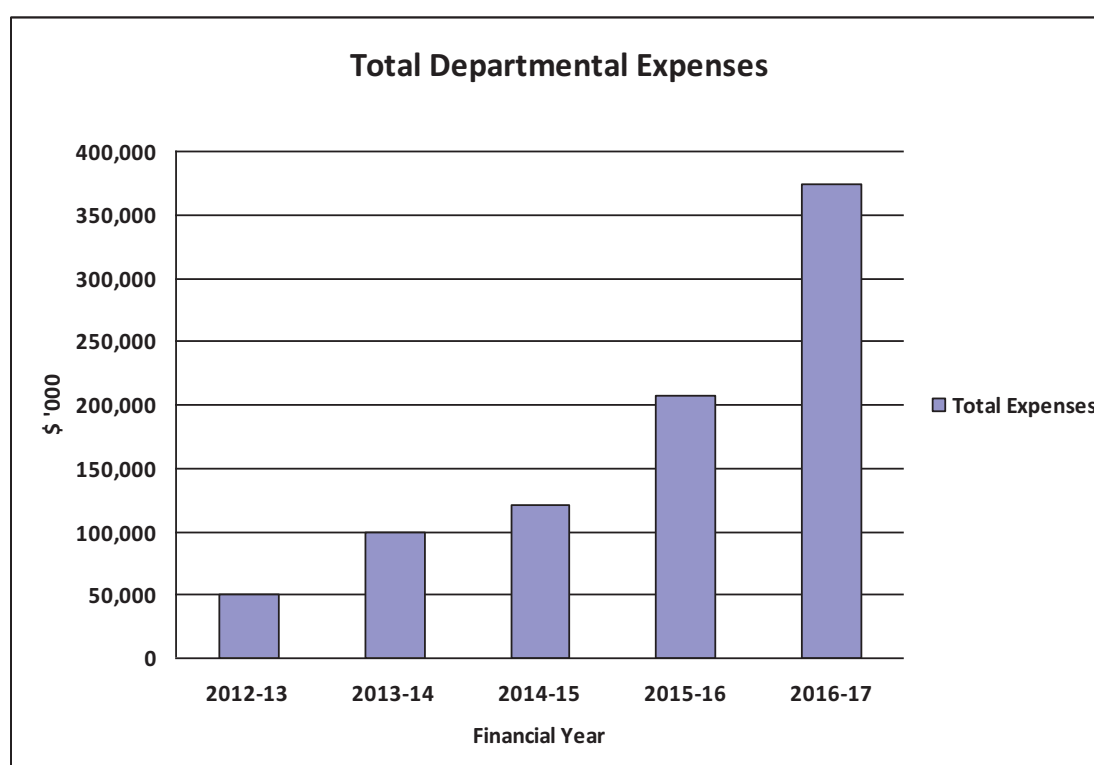
An analysis of the Department's budgeted financial statements, as reflected in the Department's financial statements, is provided below.

Departmental income statement

Total expenses are estimated to be \$99.9 million in 2013-14, an increase of \$48.9 million from the 2012-13 estimated actual. The increase is mainly due to the impact of increased activity associated with preparations for the 2018 Gold Coast Commonwealth Games including accelerated works for the redevelopment of the Gold Coast Aquatic Centre, realignment of project funding to align with anticipated expense cashflows for the Attracting Aviation Investment Fund (AAIF), *DestinationQ* and Ecotourism. This is partially offset by the reallocation of a controlled grant to administered for the newly created entity of Tourism and Events Queensland (TEQ) and the completion of the one year Industry First Response Initiative.

The increase over the forward estimates period is the result of increased activity associated with preparations for the 2018 Gold Coast Commonwealth Games partially offset by budgeted savings measures, discontinuation of expenses following delivery of the AFC 2015 Asian Cup and the AAIF.

Chart: Total Controlled departmental expenses across the Forward Estimates period



Departmental balance sheet

The Department has no major property, plant and equipment (PP&E) assets in the 2013-14 Estimate due to the transfer of equity funding for the construction of the 2018 Gold Coast Commonwealth Games Village to the Department of State Development, Infrastructure and Planning. However it is expected to have assets under this class up to \$124.8 million by 2015-16. This increase is principally due to the construction and upgrade of sporting facilities associated with the 2018 Gold Coast Commonwealth Games.

The Department's main liabilities relate to payables for long service leave and annual leave levies which are estimated to be \$0.965 million by 2015-16.

INCOME STATEMENT

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2012-13 Budget \$'000	2012-13 Est. Act. \$'000	2013-14 Estimate \$'000
Income				
Service revenue	1,5,8	51,220	51,021	99,992
User charges		61	21	..
Grants and other contributions		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		51,281	51,042	99,992
Expenses				
Employee expenses	2,9	12,359	13,649	12,159
Supplies and services	3,6,10	7,689	6,626	11,922
Grants and subsidies	4,7,11	27,296	26,828	71,884
Depreciation and amortisation		16	12	12
Finance/borrowing costs		..	..	..
Other expenses		3,921	3,927	4,015
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		51,281	51,042	99,992
OPERATING SURPLUS/(DEFICIT)		..	..	..

STATEMENT OF CHANGES IN EQUITY

Department of Tourism, Major Events, Small Business and the Commonwealth Games	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	
Total recognised income and expense for the period	
Equity injection/(withdrawal)		473	..	..
Equity adjustments (MoG transfers)	
Total movement in equity for period		473	..	..

BALANCE SHEET

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2012-13 Budget \$'000	2012-13 Est. Act. \$'000	2013-14 Estimate \$'000
CURRENT ASSETS				
Cash assets		1,597	1,430	884
Receivables	12,16	57	794	794
Other financial assets		..	..	..
Inventories		..	..	..
Other	13,17	..	68	51
Non-financial assets held for sale		..	..	..
Total current assets		1,654	2,292	1,729
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	14,18	483	19	7
Intangibles		..	..	..
Other	13,21	..	51	..
Total non-current assets		483	70	7
TOTAL ASSETS		2,137	2,362	1,736
CURRENT LIABILITIES				
Payables	19,22	1,388	1,421	691
Accrued employee benefits	15,20	233	965	1,069
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		13	..	..
Total current liabilities		1,634	2,386	1,760
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	..	..
TOTAL LIABILITIES		1,634	2,386	1,760
NET ASSETS/(LIABILITIES)		503	(24)	(24)
EQUITY				
Capital/contributed equity	14,18	503	(37)	(37)
Accumulated surplus/(accumulated deficit)		..	13	13
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		503	(24)	(24)

CASH FLOW STATEMENT

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2012-13 Budget \$'000	2012-13 Est. Act. \$'000	2013-14 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts	25,30	47,639	47,440	99,992
User charges		86	(7)	..
Grants and other contributions		..	..	..
Other		..	(61)	..
Outflows:				
Employee costs	23,31	(12,359)	(13,423)	(12,055)
Supplies and services	26,32	(7,164)	(6,835)	(11,854)
Grants and subsidies	27,33	(27,302)	(26,797)	(71,884)
Borrowing costs		..	..	..
Other	28,34	(3,915)	(3,596)	(4,745)
Net cash provided by/(used in) operating activities		(3,015)	(3,279)	(546)
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	24,29	(489)	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		(489)	..	..
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	24,29	473	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		473	..	..
Net increase/(decrease) in cash held		(3,031)	(3,279)	(546)
Cash at the beginning of financial year		4,628	4,709	1,430
Cash transfers from restructure		..	..	..
Cash at the end of financial year		1,597	1,430	884

ADMINISTERED INCOME STATEMENT

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2012-13 Budget \$'000	2012-13 Est. Act. \$'000	2013-14 Estimate \$'000
Revenues				
Commonwealth grants		..	..	..
Taxes, fees and fines		..	..	..
Royalties, property income and other territorial Revenue		..	..	..
Interest		..	..	..
Administered revenue	35,37,39	102,515	87,958	108,472
Other		..	..	..
Total revenues		102,515	87,958	108,472
Expenses				
Supplies and services		..	..	..
Depreciation and amortisation		..	..	..
Grants and subsidies	36,38,40	102,515	87,958	108,472
Benefit payments		..	..	..
Borrowing costs		..	..	..
Other		..	..	..
Total expenses		102,515	87,958	108,472
Net surplus or deficit before transfers to Government		..	..	..
Transfers of administered revenue to Government		..	..	..
OPERATING SURPLUS/(DEFICIT)		..	..	..

ADMINISTERED BALANCE SHEET

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2012-13 Budget \$'000	2012-13 Est. Act. \$'000	2013-14 Estimate \$'000
CURRENT ASSETS				
Cash assets	
Receivables	
Inventories				
Other	
Non-financial assets held for sale	
Total current assets	
NON-CURRENT ASSETS				
Receivables	
Other financial assets	
Property, plant and equipment	
Intangibles	
Other	
Total non-current assets	
TOTAL ADMINISTERED ASSETS	
CURRENT LIABILITIES				
Payables	
Transfers to Government payable	
Interest-bearing liabilities	
Other	
Total current liabilities	
NON-CURRENT LIABILITIES				
Payables	
Interest-bearing liabilities	
Other	
Total non-current liabilities	
TOTAL ADMINISTERED LIABILITIES	
ADMINISTERED NET ASSETS/(LIABILITIES)	
EQUITY				
Capital/Contributed equity	
Accumulated surplus/(Accumulated deficit)	
Reserves:	
- Asset revaluation surplus	
- Other (specify)	
TOTAL ADMINISTERED EQUITY	

ADMINISTERED CASH FLOW STATEMENT

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2012-13 Budget \$'000	2012-13 Est. Act. \$'000	2013-14 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Administered item receipts	41,43,45	102,515	87,958	108,472
Grants and other contributions		..	..	..
Taxes, fees and fines		..	..	..
Royalties, property income and other territorial revenues		..	..	..
Other		120	120	..
Outflows:				
Transfers to Government		(120)	(120)	..
Grants and subsidies	42,44,46	(102,515)	(87,958)	(108,472)
Supplies and services		..	..	..
Borrowing costs		..	..	..
Other		..	..	..
Net cash provided by/(used in) operating activities		..	..	..
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		..	..	..
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		..	..	..
Net increase/(decrease) in cash held		..	..	..
Administered cash at beginning of financial year		..	..	..
Cash transfers from restructure		..	..	..
Administered cash at end of financial year		..	..	..

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

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

1. The reduction principally relates to the realignment of funding to match anticipated cashflows for the Attracting Aviation Investment Fund (AAIF), *DestinationQ* (DQ) and Ecotourism. This is partially offset by existing funding brought forward to 2012-13 for accelerated works associated with the redevelopment of Gold Coast Aquatic Centre, provision of additional funding to meet 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 the redundancies was held centrally and funding from the Department of Agriculture, Fisheries and Forestry (DAFF) as part of the repositioning of Information and Technology (IT) services provided under the Business and Corporate Services Partnership Agreement.
2. The increase in employee expenses is primarily explained by 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.
3. The reduction principally relates to a decrease in expenses following the realignment of funding to match anticipated cashflows for DQ and Ecotourism. This is partially offset by additional expenses for IT services received from DAFF under the Business and Corporate Services Partnership Agreement.
4. The reduction principally relates to a reduction in expenses following the realignment of funding to match anticipated cashflows for the AAIF. This is partially offset by an increase in expenses following adjustments to bring forward funding to 2012-13 for accelerated works associated with the redevelopment of Gold Coast Aquatic Centre.

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

5. The increase principally relates to the 2018 Gold Coast Commonwealth Games including realigned funding for accelerated works associated with the redevelopment of the Gold Coast Aquatic Centre, realignment of funding to match anticipated cashflows for the AAIF, DQ and Ecotourism, funding from DAFF as part of the repositioning of IT services provided under the Business and Corporate Services Partnership Agreement. This is partially offset by the reallocation of controlled funding to administered for the newly created entity of Tourism and Events Queensland (TEQ) and delivery of the one year Industry First Response Initiative.
6. The increase principally relates to increased expenses from the realignment of funding to match anticipated cashflows for DQ and Ecotourism, IT service charges from DAFF under the Business and Corporate Services Partnership Agreement.
7. The increase principally relates to increased activity for the 2018 Gold Coast Commonwealth Games including additional expenses for accelerated works associated with the redevelopment of the Gold Coast Aquatic Centre, increased expenses from the realignment of funding to match anticipated cashflows for the AAIF. This is partially offset by the reallocation of a controlled grant to administered for TEQ and completion of the one year Industry First Response Initiative.

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

8. The increase principally due to the 2018 Gold Coast Commonwealth Games including realigned funding for accelerated works associated with the redevelopment of the Gold Coast Aquatic Centre, realignment of funding to match anticipated cashflows for the AAIF, DQ and Ecotourism. This is partially offset by the reallocation of controlled funding to administered for TEQ and completion of the one year Industry First Response Initiative and the completion of additional funding provided to meet the cost of redundancies related to the fiscal repair measures announced in the 2012-13 Budget.
9. The reduction in employee expenses is primarily explained by the cost of redundancies related to the fiscal repair measures announced in the 2012-13 Budget contained in the 2012-13 Estimated Actual.
10. The increase relates principally to increased expenses from the realignment of funding to match anticipated cashflows for DQ and Ecotourism.
11. The increase relates principally to increased activity for the 2018 Gold Coast Commonwealth Games including additional expenses for accelerated works associated with the redevelopment of the Gold Coast Aquatic Centre, increased expenses from the realignment of funding to match anticipated cashflows for the AAIF. This is partially offset by the reallocation of a controlled grant to administered for TEQ and completion of the one year Industry First Response Initiative.

Balance sheet

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

12. The increase relates largely to Receivables from the Annual Leave Central Scheme and Input Tax Credits from the Australian Taxation Office (ATO).
13. The increase reflects prepayments for software maintenance support licenses relating to multiple financial years.
14. The reduction is due to the transfer of equity funding and associated acquisition costs for the construction of the 2018 Gold Coast Commonwealth Games Village to the Department of State Development, Infrastructure and Planning (DSDIP).
15. The increase principally relates to payables for Long Service Leave and Annual Leave levies Central Schemes.

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

16. The increase relates largely to Receivables from the Annual Leave Central Scheme and Input Tax Credits from the ATO.
17. The increase reflects prepayments for software maintenance support licenses which relate to multiple financial years.
18. The reduction is due to the transfer of equity funding and associated acquisition costs for the construction of the 2018 Gold Coast Commonwealth Games Village to DSDIP.
19. The reduction reflects a decline in accrued payables relating to transactions with other departments being finalised during 2012-13 associated with the initial machinery- of-government change creating the department.
20. The increase principally relates to payables for Long Service Leave and Annual Leave levies Central Schemes.

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

21. The reduction reflects prepayments for software maintenance support licenses which relate to multiple financial years.
22. The reduction reflects a decline in accrued payables relating to transactions with other departments being finalised during 2012-13 associated with the initial machinery- of-government change creating the department.

Cash flow statement

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

23. The increase in employee expenses is primarily explained by 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.
24. The reduction is due to the transfer of equity funding and associated costs for the construction of the 2018 Gold Coast Commonwealth Games Village to the DSDIP.

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

25. The increase principally relates to the 2018 Gold Coast Commonwealth Games including realigned funding for accelerated works associated with the redevelopment of the Gold Coast Aquatic Centre, realignment of funding to match anticipated cashflows for the AAIF, DQ, Ecotourism and funding from DAFF as part of the repositioning of IT services provided under the Business and Corporate Services Partnership Agreement. This is partially offset by the reallocation of controlled funding to administered for TEQ and completion of the one year Industry First Response Initiative.
26. The increase principally relates to additional expenses from the realignment of funding to match anticipated cashflows for DQ, Ecotourism and IT service charges.
27. The increase principally relates to increased activity for the 2018 Gold Coast Commonwealth Games including additional expenses for accelerated works associated with the redevelopment of the Gold Coast Aquatic Centre, increased expenses from the realignment of funding to match anticipated cashflows for the AAIF. This is partially offset by the reallocation of a controlled grant to administered for TEQ and completion of the one year Industry First Response Initiative.
28. The increase principally relates to the increased activity associated with preparations for 2018 Gold Coast Commonwealth Games.

29. The reduction is due to the transfer of equity funding and associated costs for the construction of the 2018 Gold Coast Commonwealth Games Village to the DSDIP.

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

30. The increase principally due to the 2018 Gold Coast Commonwealth Games including realigned funding for accelerated works associated with the redevelopment of the Gold Coast Aquatic Centre, realignment of funding to match anticipated cashflows for the AAIF, DQ and Ecotourism. This is partially offset by the reallocation of controlled funding to administered for TEQ and completion of the one year Industry First Response Initiative and the completion of additional funding provided to meet the cost of redundancies related to the fiscal repair measures announced in the 2012-13 Budget.
31. The reduction in employee expenses is primarily explained by the cost of redundancies related to the fiscal repair measures announced in the 2012-13 Budget contained in the 2012-13 Estimated Actual.
32. The increase relates principally to increased expenses from the realignment of funding to match anticipated cashflows for DQ and Ecotourism.
33. The increase relates principally to increased activity for the 2018 Gold Coast Commonwealth Games including additional expenses for accelerated works associated with the redevelopment of the Gold Coast Aquatic Centre, additional expenses following realignment of funding to match anticipated cashflows for the AAIF. This is partially offset by the reallocation of a controlled grant to administered for TEQ and completion of the one year Industry First Response Initiative.
34. The increase principally relates to the increased activity associated with preparations for 2018 Gold Coast Commonwealth Games.

Administered income statement

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

35. The reduction principally relates to the realignment of grant funding to 2013-14 for the newly created Tourism and Events Queensland (TEQ) entity to match known cashflows including commitments for business and regional events taking place in 2013-14.
36. The reduction principally relates to the realignment of grants expenses for TEQ to 2013-14 to match known cashflows including commitments for business and regional events taking place in 2013-14.

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

37. The increase principally relates to the realignment of grant funding to 2013-14 for TEQ to match known cashflows including commitments for business and regional events taking place in 2013-14 and additional funding for tourism and events.
38. The increase principally relates to the realignment of grants expenses for TEQ to 2013-14 to match known cashflows including commitments for business and regional events taking place in 2013-14 and additional grants for tourism and events.

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

39. The increase principally relates to the realignment of grant funding to 2013-14 for TEQ to match known cashflows including commitments for business and regional events taking place in 2013-14 and additional funding for tourism and events.
40. The increase principally relates to the realignment of grants expenses for TEQ to 2013-14 to match known cashflows including commitments for business and regional events taking place in 2013-14 and additional grants for tourism and events.

Administered cash flow statement

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

41. The reduction principally relates to the realignment of grant funding to 2013-14 for TEQ to match known cashflows including commitments for business and regional events taking place in 2013-14.
42. The reduction principally relates to the realignment of grants expenses for TEQ to 2013-14 to match known cashflows including commitments for business and regional events taking place in 2013-14.

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

43. The increase principally relates to the realignment of grant funding to 2013-14 for TEQ to match known cashflows including commitments for business and regional events taking place in 2013-14 and additional funding for tourism and events.

44. The increase principally relates to the realignment of grants expenses for TEQ to 2013-14 to match known cashflows including commitments for business and regional events taking place in 2013-14 and additional grants for tourism and events.

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

45. The increase principally relates to the realignment of grant funding to 2013-14 for TEQ to match known cashflows including commitments for business and regional events taking place in 2013-14 and additional funding for tourism and events.
46. The increase principally relates to the realignment of grants expenses for TEQ to 2013-14 to match known cashflows including commitments for business and regional events taking place in 2013-14 and additional grants for tourism and events.

STATUTORY BODIES

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION

AGENCY OVERVIEW

Strategic direction

The Gold Coast 2018 Commonwealth Games Corporation (the Corporation) was established on 1 January 2012 under the *Commonwealth Games Arrangements Act 2011*. Its purpose is to plan, organise and deliver the Commonwealth Games, in conjunction with the Australian Commonwealth Games Association (ACGA) and the Commonwealth Games Federation (CGF).

The Gold Coast will host the Commonwealth Games from 4 to 15 April 2018. The Games will be a uniquely memorable and exciting celebration of sport and culture. The event will create an atmosphere that inspires achievement, harmony and a sense of unity with the Games vision “to stage a great Games in a great city leaving great memories and great benefits for all”. The Games provide the opportunity to generate long-term benefits for Australia as a nation, Queensland as a State, the Gold Coast as a city and the Commonwealth Games. The Gold Coast will be transformed with renewed tourism opportunities and new or upgraded infrastructure and opportunities to diversify the economy.

RESOURCES AND PERFORMANCE

Over the next year, the Corporation will transition from foundation planning with strategic planning activities becoming the primary focus for the Corporation. These activities include:

- providing input into the Games Village design brief and participating in the evaluation process
- implementing a suite of corporate software solutions to meet the Corporation’s needs
- researching potential games management systems and assessing current venue technologies
- developing an event sustainability framework to leave a legacy of environmentally sustainable assets and behaviours
- progressing the security strategic plan that involves all levels of government to deliver a safe and secure environment for residents and visitors during the Commonwealth Games
- developing the transport strategic plan for the delivery of transport services within the public domain and across Games specific requirements, including the draft concept of operations plan
- planning for the Glasgow 2014 Commonwealth Games closing ceremony when the CGF flag is officially lowered and passed on to Gold Coast
- further defining roles, responsibilities and governance arrangements with other agencies involved in the delivery of the Commonwealth Games
- developing the sponsorship marketing plan that outlines the strategy to acquire and service corporate sponsors from within Australia and overseas for the 2018 Commonwealth Games
- increasing awareness, understanding and appreciation of the Gold Coast 2018 Commonwealth Games amongst key partners and communities
- determining a long-term office accommodation strategy to meet the needs of the Corporation’s forecast workforce
- developing the risk management framework that integrates with the practices of Games partners and key stakeholders.

STATEMENTS

Staffing

Gold Coast 2018 Commonwealth Games Corporation	Notes	2012-13 Budget	2012-13 Est. Actual	2013-14 Estimate
	1, 2	20	28	44

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Estimated actual for 2012-13 is higher than budget due to timing of project deliverables.

Performance Statement

To improve accountability for performance, service standards for the 2013-14 State Budget will only present measures that relate to the efficiency or effectiveness of services delivered. Measures of input and/or activity which do not demonstrate the effectiveness or efficiency of the agency's services have been discontinued. 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.

Gold Coast 2018 Commonwealth Games Corporation	Notes	2012-13 Target/Est.	2012-13 Est. Actual	2013-14 Target/Est.
Service standards				
Level of Commonwealth Games Federation's satisfaction with preparedness for the Commonwealth Games	1, 2	New measure	New measure	Satisfied
Level of target market's engagement in the Commonwealth Games	1, 3	New measure	New measure	50%

Notes:

1. New service standard for 2013-14.
2. A rating of satisfied reflects that the preparation for the Gold Coast 2018 Commonwealth Games is meeting the anticipated milestones and compliance requirements established by the Commonwealth Games Federation. These obligations are outlined in the Host City Contract, Candidature City Files (Bid Book) and other agreements. Requirements covered include financial arrangements, timelines, programming and service standards. Also refer to this service standard under the Tourism and Events Development service area.
3. The target market is defined as all people over 18 years of age living on the Gold Coast, in Brisbane, within a four hour drive of the Gold Coast (excluding Brisbane and the Gold Coast), Sydney and Melbourne. A survey of the five catchments of the target market is undertaken twice a year to gauge the level of engagement with the event. The Target estimate of 50% was set through the initial survey completed in November 2012.

INCOME STATEMENT

Gold Coast 2018 Commonwealth Games Corporation	Notes	2012-13 Budget \$'000	2012-13 Est. Act. \$'000	2013-14 Estimate \$'000
Income				
User charges		..	..	..
Grants and other contributions	2,6	9,372	9,372	17,070
Other revenue		97	70	73
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		9,469	9,442	17,143
Expenses				
Employee expenses	3,7	3,140	3,042	5,567
Supplies and services	4,8	4,055	3,548	7,583
Grants and subsidies		..	..	..
Depreciation and amortisation		..	359	505
Finance/borrowing costs		..	..	..
Other expenses		2,860	2,376	2,860
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		10,055	9,325	16,515
OPERATING SURPLUS/(DEFICIT)	1,5,9	(586)	117	628

STATEMENT OF CHANGES IN EQUITY

Gold Coast 2018 Commonwealth Games Corporation	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		(586)	117	628
Total recognised income and expense for the period		(586)	117	628
Equity injection/(withdrawal)		
Equity adjustments (MoG transfers)		
Total movement in equity for period		(586)	117	628

BALANCE SHEET

Gold Coast 2018 Commonwealth Games Corporation	Notes	2012-13 Budget \$'000	2012-13 Est. Act. \$'000	2013-14 Estimate \$'000
CURRENT ASSETS				
Cash assets	13,16	205	494	1,227
Receivables		..	23	73
Other financial assets		..	..	..
Inventories		..	..	..
Other		..	167	211
Non-financial assets held for sale		..	..	..
Total current assets		205	684	1,511
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	10,14,17	735	1,377	1,931
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		735	1,377	1,931
TOTAL ASSETS		940	2,061	3,442
CURRENT LIABILITIES				
Payables	11	1,283	269	926
Accrued employee benefits		217	295	386
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	1	..
Total current liabilities		1,500	565	1,312
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	45	51
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	45	51
TOTAL LIABILITIES		1,500	610	1,363
NET ASSETS/(LIABILITIES)		(560)	1,451	2,079
EQUITY				
Capital/contributed equity		..	..	..
Accumulated surplus/(accumulated deficit)		(560)	1,451	2,079
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY	12,15,18	(560)	1,451	2,079

CASH FLOW STATEMENT

Gold Coast 2018 Commonwealth Games Corporation	Notes	2012-13 Budget \$'000	2012-13 Est. Act. \$'000	2013-14 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges		..	..	(1)
Grants and other contributions	20,24	9,372	9,742	17,070
Other		97	115	23
Outflows:				
Employee costs	21,25	(2,969)	(2,816)	(5,470)
Supplies and services	22,26	(3,002)	(3,695)	(7,024)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(2,860)	(2,359)	(2,805)
Net cash provided by/(used in) operating activities		638	987	1,793
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	19,23,27	(705)	(1,728)	(1,060)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		(705)	(1,728)	(1,060)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		..	..	..
Net increase/(decrease) in cash held		(67)	(741)	733
Cash at the beginning of financial year		272	1,235	494
Cash transfers from restructure		..	..	..
Cash at the end of financial year		205	494	1,227

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

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

1. An increase in operating surplus due to reclassification of operating expenditure to capital expenditure for office fit out and technology establishment activities.

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

2. An increase in grants and other contributions income due to additional activity required to meet the milestones and compliance requirements set by the Commonwealth Games Federation. Major items for 2013-14 include the development of various strategic plans and the flag hand-over ceremony at the Glasgow 2014 Commonwealth Games.
3. An increase in employee expenses due to additional staff numbers required to deliver the milestones and compliance requirements set by the Commonwealth Games Federation supported by internal corporate resourcing.
4. An increase in supplies and services associated with additional activity required to meet the milestones and compliance requirements set by the Commonwealth Games Federation. Major items for 2013-14 include the development of various strategic plans and the flag hand-over ceremony at the Glasgow 2014 Commonwealth Games.
5. An increase in operating surplus due to reclassification of operating expenditure to capital expenditure for set up of corporate software solutions.

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

6. An increase in grants and other contributions income due to additional activity required to meet the milestones and compliance requirements set by the Commonwealth Games Federation. Major items for 2013-14 include the development of various strategic plans and the flag hand-over ceremony at the Glasgow 2014 Commonwealth Games.
7. An increase in employee expenses due to additional staff numbers required to deliver the milestones and compliance requirements set by the Commonwealth Games Federation supported by internal corporate resourcing.
8. An increase in supplies and services associated with additional activity required to meet the milestones and compliance requirements set by the Commonwealth Games Federation. Major items for 2013-14 include the development of various strategic plans and the flag hand-over ceremony at the Glasgow 2014 Commonwealth Games.
9. An increase in operating surplus due to a greater allocation of operating expenditure budget to capital expenditure for set up of corporate software solutions.

Balance sheet

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

10. An increase in property, plant and equipment due to reclassification of operating expenditure to capital expenditure for office fit out and technology establishment activities.
11. A decrease in payables due to more accurate forecasting of balance sheet items based on 2011-12 year-end financial position.
12. An increase in accumulated surplus due to reclassification of operating expenditure to capital expenditure for office fit out and technology establishment activities.

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

13. An increase in cash assets due to timing of payments planned for 2011-12 being payable in 2012-13.
14. An increase in property, plant and equipment commensurate with ICT system requirements offset by accumulated depreciation.
15. An increase in accumulated surplus due to reclassification of operating expenditure to capital expenditure for establishment of office fit out, technology and corporate software solutions.

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

16. An increase in cash assets due to timing of cash payments for supplies and services not occurring until 2013-14 as shown in increased payables balance.

17. An increase in property, plant and equipment commensurate with ICT system requirements offset by accumulated depreciation.
18. An increase in accumulated surplus due to a greater allocation of operating expenditure budget to capital expenditure.

Cash flow statement

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

19. An increase in payments for property, plant and equipment due to reclassification of operating expenditure to capital expenditure.

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

20. An increase in grants and other contributions inflows due to additional activity required to meet the milestones and compliance requirements set by the Commonwealth Games Federation. Major items for 2013-14 include the development of various strategic plans and the flag hand-over ceremony at the Glasgow 2014 Commonwealth Games.
21. An increase in employee expense outflows due to additional staff numbers required to deliver the milestones and compliance requirements set by the Commonwealth Games Federation supported by internal corporate resourcing.
22. An increase in supplies and services outflows associated with additional activity required to meet the milestones and compliance requirements set by the Commonwealth Games Federation. Major items for 2013-14 include the development of various strategic plans and the flag hand-over ceremony at the Glasgow 2014 Commonwealth Games.
23. An increase in property, plant and equipment outflows commensurate with ICT system requirements.

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

24. An increase in grants and other contributions inflows due to additional activity required to meet the milestones and compliance requirements set by the Commonwealth Games Federation. Major items for 2013-14 include the development of various strategic plans and the flag hand-over ceremony at the Glasgow 2014 Commonwealth Games.
25. An increase in employee expense outflows due to additional staff numbers required to deliver the milestones and compliance requirements set by the Commonwealth Games Federation supported by internal corporate resourcing.
26. An increase in supplies and services outflows associated with additional activity required to meet the milestones and compliance requirements set by the Commonwealth Games Federation. Major items for 2013-14 include the development of various strategic plans and the flag hand-over ceremony at the Glasgow 2014 Commonwealth Games.
27. A decrease in payments for property, plant and equipment commensurate with ICT system requirements.

TOURISM AND EVENTS QUEENSLAND

AGENCY OVERVIEW

Strategic direction

In December 2012, the Queensland Government created Tourism and Events Queensland (TEQ), bringing together the resources and expertise of Tourism Queensland and Events Queensland.

TEQ will work collaboratively with Government and industry to drive growth in Queensland's tourism and event industries, supporting the goal of achieving \$30 billion in annual overnight visitor expenditure by 2020 and delivering economic and social benefits throughout the State.

Core functions include promoting and marketing Queensland and its world-class destinations, building unique and appealing tourism experiences and identifying, attracting and developing major events for the State.

In 2013-14, TEQ will work closely with each regional tourism organisation to develop and deliver a new destination tourism planning framework to deliver on its objectives.

TEQ operates in a competitive national and international environment in an industry where global economic conditions and other external shocks such as natural disasters may influence visitor numbers and expenditure.

RESOURCES AND PERFORMANCE

As a new entity, during 2013-14 TEQ has a renewed focus on putting Queensland destinations at the heart of a tourism and events business structure.

This destination tourism framework will focus on key areas including acquisition, development, marketing, partnership and review.

In addition to this new strategic focus, TEQ will continue to leverage 2012-13 successes in tourism and events including:

- delivering the \$20 million Tourism Investment Strategy (TIS), a strategy concentrating on destination marketing for key Queensland destination brands in partnership with regional tourism organisations and commercial partners in both the domestic and international markets. These marketing campaigns were conducted in partnership with airlines and travel partners in Queensland's major source markets including China, Japan, UK, USA, and New Zealand. To cater for changing consumer behaviour in planning and travel choices, Tourism and Events Queensland also increased its online marketing effort to increase content in the digital space. The TIS funding was also invested in experience and destination development, including the highly successful digital coaching program which has assisted more than 1,000 operator participants this year.
- supporting increased aviation route capacity into Queensland in partnership with airlines, DTESB and Queensland's airports through the Attracting Aviation Investment Fund
- providing \$7 million in financial support to the regional tourism organisation network to grow regional tourism, provide new experiences, and support the overall industry goal of \$30 billion in overnight visitor expenditure by 2020. This support included \$3.11 million to 13 regional tourism organisations as core grant funding. The remaining \$3.89 million was made available through an incentivised, contestable grant which was leveraged with \$3.6 million in partner contributions to deliver 28 marketing and development projects

- promoting the 'Best Jobs in the World' campaign with Tourism Australia, which attracted more than 330,000 applications from 196 countries. There were more than 100,000 applications for the Queensland position and almost 10,000 video entries uploaded
- building on the *DestinationQ* destination management approach, including an international mentoring program, 'Digital Ready' workshops, and an annual regional events conference
- building awareness around the Solar Eclipse in November 2012, which generated more than \$30 million of global publicity through traditional media channels
- supporting a diverse range of major events in Queensland to deliver an estimated economic impact of \$202 million and generated 1.04 million total visitor nights . Major events within the TEQ portfolio attracted 426,327 visitors to event local areas (all figures quoted here are as at 30 April 2013)
- growing Queensland's major event calendar including securing new arts and cultural events such as the Bolshoi Ballet, Driving Miss Daisy and the Cai Guo Qiang exhibition, and new sporting events including the IRONMAN 70.3 Sunshine Coast, the Great Barrier Reef Masters Games, and the Australian PGA Championship for two years on the Gold Coast and the 2014 and 2016 UCI World Cups in Cairns
- supporting 102 events in the regions in 2012-13 through the \$3 million TEQ Regional Development Program. TEQ has created the most comprehensive portfolio of supported regional events of any state in Australia with more than \$21 million invested across 976 events since 2001
- expanding home grown events and delivering an extra 40,400 visitor nights over two years through supporting the Birdsville Races, Easterfest in Toowoomba, Blues on Broadbeach and the Australian Festival of Chamber Music in Townsville.

STATEMENTS

Staffing

Tourism and Events Queensland	Notes	2012-13 Budget	2012-13 Est. Actual	2013-14 Estimate
	1	148	148	148

Notes:

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

Performance Statement

To improve accountability for performance, service standards for the 2013-14 State Budget will only present measures that relate to the efficiency or effectiveness of services delivered. Measures of input and/or activity which do not demonstrate the effectiveness or efficiency of the agency's services have been discontinued. 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.

Tourism and Events Queensland	Notes	2012-13 Target/Est.	2012-13 Est. Actual	2013-14 Target/Est.
Service standards				
Overnight visitor expenditure generated by major events within the TEQ portfolio	1, 2, 3	New Measure	New Measure	\$75 million
Direct and incremental spending generated by major events within the TEQ portfolio	1, 2, 3	New Measure	New Measure	\$166 million
Visitors to Queensland generated by major events within the TEQ portfolio	1, 2, 3	New Measure	New Measure	265,000
Direct Visitor Nights generated by major events within the TEQ portfolio	1, 2, 3	New Measure	New Measure	338,000
Publicity and Promotional value generated by TEQ activities	1, 4	\$177.7 million	\$180 million	\$190 million
Value of cooperative investment in marketing campaigns	1, 5	\$7 million	\$7 million	\$7 million
Industry satisfaction with TEQ's development programs	1	70%	70%	70%

Notes:

1. The 2013-14 service standards and associated Target/est. have been designed to improve performance reporting for the newly formed Tourism and Events Queensland, which was established in December 2012. As TEQ continues to further refine its services and operations, it is anticipated that further enhancements to performance reporting will be introduced.
2. This represents a new service standard for Tourism and Events Queensland in 2013-14.

3. The target for this measure has been estimated based on available data on event related expenditure. The definition of a visitor has been realigned to be consistent with accepted tourism definitions and benchmarking for this measure will be available upon the completion of 2013-14.
4. This measure is a revision of the previous Tourism Queensland publicity measure. It now incorporates major events.
5. TEQ will also seek to increase collaborative support values beyond direct cooperative income.

INCOME STATEMENT

Tourism and Events Queensland	Notes	2012-13 Budget \$'000	2012-13 Est. Act. \$'000	2013-14 Estimate \$'000
Income				
User charges		7,000	7,000	7,000
Grants and other contributions	1,6,10	109,625	94,665	111,582
Other revenue	2,7,11	1,307	2,330	278
Gains on sale/revaluation of property, plant and equipment and investments				
Total income		117,932	103,995	118,860
Expenses				
Employee expenses	3,8,12	18,313	19,145	17,211
Supplies and services		45,453	44,531	45,617
Grants and subsidies	4,9,13	52,645	43,215	54,452
Depreciation and amortisation		282	411	330
Finance/borrowing costs		..	5	..
Other expenses		1,239	1,338	1,250
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		117,932	108,645	118,860
OPERATING SURPLUS/(DEFICIT)	5	..	(4,650)	..

STATEMENT OF CHANGES IN EQUITY

Tourism and Events Queensland	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	14	..	(4,650)	..
Total recognised income and expense for the period		..	(4,650)	..
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		..	(4,650)	..

BALANCE SHEET

Tourism and Events Queensland	Notes	2012-13 Budget \$'000	2012-13 Est. Act. \$'000	2013-14 Estimate \$'000
CURRENT ASSETS				
Cash assets	15,18	12,027	3,499	2,082
Receivables	16,19,20	2,103	11,596	7,834
Other financial assets		931	931	931
Inventories		..	..	..
Other		129	90	93
Non-financial assets held for sale		..	..	..
Total current assets		15,190	16,116	10,940
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		387	1,417	1,270
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		387	1,417	1,270
TOTAL ASSETS		15,577	17,533	12,210
CURRENT LIABILITIES				
Payables	17,21	3,252	9,747	4,378
Accrued employee benefits		2,357	2,662	2,698
Interest-bearing liabilities and derivatives		..	58	58
Provisions		..	..	..
Other		498	745	745
Total current liabilities		6,107	13,212	7,879
NON-CURRENT LIABILITIES				
Payables		..	275	275
Accrued employee benefits		581	613	623
Interest-bearing liabilities and derivatives		..	92	92
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		581	980	990
TOTAL LIABILITIES		6,688	14,192	8,869
NET ASSETS/(LIABILITIES)		8,889	3,341	3,341
EQUITY				
Capital/contributed equity		..	..	9,557
Accumulated surplus/(accumulated deficit)	22	8,889	(3,341)	(6,216)
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		8,889	3,341	3,341

CASH FLOW STATEMENT

Tourism and Events Queensland	Notes	2012-13 Budget \$'000	2012-13 Est. Act. \$'000	2013-14 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges	23,26	7,000	4,840	10,772
Grants and other contributions	24,27	109,625	87,165	111,582
Other	25,28	1,297	2,333	268
Outflows:				
Employee costs	29	(18,757)	(19,093)	(17,165)
Supplies and services	25,27	(49,847)	(43,175)	(50,989)
Grants and subsidies	25,27	(52,645)	(43,215)	(54,452)
Borrowing costs		..	..	..
Other		(1,487)	(1,338)	(1,250)
Net cash provided by/(used in) operating activities		(4,814)	(12,483)	(1,234)
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		(200)	(570)	(183)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		(200)	(570)	(183)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	(26)	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		..	(26)	..
Net increase/(decrease) in cash held		(5,014)	(13,079)	(1,417)
Cash at the beginning of financial year		17,041	16,578	3,499
Cash transfers from restructure		..	..	..
Cash at the end of financial year		12,027	3,499	2,082

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

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

1. The decrease reflects the deferral of grant funding to 2013-14 to match the timing of anticipated program activity including commitments for business and regional events taking place in 2013-14.
2. The increase is principally explained by the provision of additional funding to meet 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.
3. The increase in employee expenses is primarily explained by 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.
4. The decrease is due to the deferral of grant funding to 2013-14 to match the timing of anticipated program activity including commitments for business and regional events taking place in 2013-14.
5. The operating deficit for the 2012-13 Estimated Actual is due to a timing difference between the receipt and recognition of grant revenue in prior financial year/s as required by Australian Accounting Standards and the related expenditure occurring in the 2012-13 financial year.

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

6. The increase reflects the deferral of grant funding to 2013-14 to match the timing of anticipated program activity.
7. The decrease is explained by the completion of the provision of additional funding to meet the cost of redundancies related to the fiscal repair measures announced in the 2012-13 Budget and a reduction in estimated interest income in line with reduced cash balances from grant funding being timed more closely with anticipated program activity.
8. The decrease reflects the reduction in the number of employees.
9. The increase is due to the deferral of grant funding to 2013-14 to match the timing of anticipated program activity.

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

10. The increase reflects the deferral of grant funding to 2013-14 to match the timing of anticipated program activity.
11. The decrease is explained by the completion of the provision of additional funding to meet the cost of redundancies related to the fiscal repair measures announced in the 2012-13 Budget and a reduction in estimated interest income in line with reduced cash balances from grant funding being timed more closely with anticipated program activity.
12. The decrease is explained by the completion of the provision of additional funding to meet the cost of redundancies related to the fiscal repair measures announced in the 2012-13 Budget and a reduction in the number of employees.
13. The increase reflects the deferral of grant funding to 2013-14 to match the timing of anticipated program activity.

Statement of changes in equity

14. In December 2012, the Queensland Government created Tourism and Events Queensland (TEQ). Events Queensland ceased as an entity on 10 December 2012 and its net assets transferred to TEQ. For statutory reporting purposes the net asset transfer must be recognised via contributed equity as required by Australian Accounting Standards. In order to present comparable financial data however, the SDS financial statements have been prepared as if the newly created entity existed from 1 July 2012.

Balance sheet

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

15. Reduction in cash reflects the timing of grant funding to match anticipated program activity.
16. Increase in receivables reflects deferral of grant funding to 2013-14 to match the timing of anticipated program activity.
17. Increase in payables reflects the increased level of program activity in May and June 2013, where payments will not be due for until the 2013-14 financial year.

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

18. Reduction in cash reflects the timing of grant funding to match anticipated program activity.
19. Increase in receivables reflects deferral of grant funding to 2013-14 to match the timing of anticipated program activity.

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

20. Decrease in receivables reflects deferral of grant funding to 2013-14 to match the timing of anticipated program activity.
21. Decrease in payables reflects the increased level of program activity in May and June 2013, where payments will not be due for until the 2013-14 financial year.
22. In December 2012, the Queensland Government created Tourism and Events Queensland (TEQ). Events Queensland ceased as an entity on 10 December 2012 and its net assets transferred to TEQ. For statutory reporting purposes the net asset transfer must be recognised via contributed equity as required by Australian Accounting Standards. In order to present comparable financial data however, the SDS financial statements have been prepared as if the newly created entity existed from 1 July 2012.

Cash flow statement

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

23. The decrease results from a portion of the 2012-13 co-operative income now being expected to be received in 2013-14, reflecting the timing of some co-operative campaigns.
24. Decrease reflects the deferral of grant funding to 2013-14 to match the timing of anticipated program activity including commitments for business and regional events taking place in 2013-14.
25. The increase is principally explained by the provision of additional funding to meet 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.

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

26. The increase results from a portion of the 2012-13 co-operative income now being expected to be received in 2013-14, reflecting the timing of some co-operative campaigns.
27. Increase reflects the deferral of grant funding to 2013-14 to match the timing of anticipated program activity including commitments for business and regional events taking place in 2013-14.

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

28. The decrease is explained by the completion of the provision of additional funding to meet the cost of redundancies related to the fiscal repair measures announced in the 2012-13 Budget and a reduction in estimated interest income in line with reduced cash balances from grant funding being timed more closely with anticipated program activity.
29. The decrease reflects the reduction in the number of employees.

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.

