

SERVICE DELIVERY STATEMENTS

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

2017-18 Queensland Budget Papers

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Budget Highlights

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Service Delivery Statements

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Queensland
Government

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

Summary of portfolio

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Portfolio overview

Ministerial and portfolio responsibilities

The table below represents the agencies and services which are the responsibility of the Minister for Education and Minister for Tourism, Major Events and the Commonwealth Games and the Minister for Innovation, Science and the Digital Economy and Minister for Small Business:

Minister for Education and Minister for Tourism, Major Events and the Commonwealth Games

The Honourable Kate Jones MP

Minister for Innovation, Science and the Digital Economy and Minister for Small Business

The Honourable Leeanne Enoch MP

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

Director-General: Damien Walker

Service area 1: Tourism and Events Development

Service area 2: Small Business Services

The Minister for Education and Minister for Tourism, Major Events and the Commonwealth Games is also responsible for:

Gold Coast 2018 Commonwealth Games Corporation

Chief Executive Officer: Mark Peters

Objective: To plan, organise and deliver the Gold Coast 2018 Commonwealth Games in conjunction with Commonwealth Games Australia, the Commonwealth Games Federation, the City of Gold Coast, the Office of the Commonwealth Games within this portfolio, and the Australian Government.

Tourism and Events Queensland

Chief Executive Officer: Leanne Coddington

Objective: To attract visitors to Queensland, generate overnight visitor expenditure, contribute to the Queensland economy, enhance the profile of Queensland, and foster community pride in Queensland.

Additional information about these agencies can be sourced from:

www.dtesb.qld.gov.au

www.gc2018.com

www.teq.queensland.com

Departmental overview

The Department of Tourism, Major Events, Small Business and the Commonwealth Games (DTESB) furthers the Government's agenda to Advance Queensland and create jobs for Queenslanders by growing tourism in the state, delivering the Gold Coast 2018 Commonwealth Games (GC2018) and supporting small businesses. DTESB's strategic objectives set out the expected outcomes from its work:

- Queensland's tourism industry attracts a greater international and domestic market share of visitors and increases yield per visitor
- GC2018 delivers economic and community benefits for Queensland
- create the environment for small business to start, grow and employ.

Recent growth in Queensland's tourism visitor and small business numbers indicates a strong foundation for further expansion. To ensure this continued growth, aiding recovery and maintaining visitor and business confidence in regions affected by ex-Tropical Cyclone Debbie remains a priority. In 2016-17, DTESB and the Australian Government each contributed \$1 million for the Cyclone Recovery Marketing Program. The support for recovery will continue in 2017-18 with DTESB providing more than \$8 million under the Tourism and Small Business Recovery Package for cyclone affected areas of the Whitsundays and Central Queensland. The package includes a grants program to help small business; a recovery fund targeted at rebuilding and recreating tourism infrastructure; and the *Go Local - keep Queensland going strong* campaign. The Australian Government is contributing a further \$4 million towards this package for tourism initiatives.

The preparations for GC2018, and the emergence of strong Asian economies and demand have also provided impetus for investment in infrastructure, and supporting entrepreneurship more broadly across the State. GC2018, to be held in April 2018, will demonstrate DTESB and its government, industry and community partners' ability to embrace the opportunities associated with a high profile event and the influx of thousands of competitors and visitors. A successful GC2018 will enhance Queensland's reputation internationally as a major event organiser and tourist destination. DTESB is also well positioned to capitalise on opportunities to maximise the legacy benefits that will continue to accrue after the Games.

DTESB's services and initiatives play a key role in the Queensland Government's objectives for the community:

Creating jobs and a diverse economy by:

- delivering infrastructure and co-ordinating support services for the GC2018 event
- connecting Queensland tourism and small business operators to supply opportunities arising from the GC2018
- broadening the economic base of the Gold Coast region by delivering the Trade 2018 program, which will leverage the profile of GC2018 to strengthen the city's and state's trade and investment ties and international business profile
- supporting Queensland's tourism industry to grow quality experiences, products and events, invest in infrastructure and access, build workforce skills and business capabilities, and seize the opportunity in Asia through the *Advancing Tourism 2016-20: growing Queensland jobs* strategy and the *Advancing Tourism in North Queensland* supplement
- attracting new or expanded direct flights into Queensland airports under the Attracting Aviation Investment Fund and through the \$33.5 million *Advance Queensland: Connecting with Asia* Strategy. This will support the development of new tourism products and experiences, including Aboriginal and Torres Strait Islander tourism opportunities
- building Queensland's small businesses through the \$22.7 million *Advancing Small Business Queensland Strategy 2016-20* by providing advocacy to champion the interests of small businesses, making it easier to do business through simplified and coordinated service delivery, and improving access to small business services
- continuing to secure major events such as the World Boxing Organisation's World Welterweight Title match and the 2017 Rugby League World Cup matches boosting Queensland's reputation as a leading events destination.

Delivering quality frontline services by:

- continuing to enhance online service delivery through Business Queensland online. DTESB will work with Queensland Government agencies and the Australian Government to improve the quality and accessibility of information, services for and obligations on businesses
- monitoring and evaluating the performance of our small business service delivery partners and contractors.

GC2018 and Embracing 2018 legacy initiatives also contribute to the Government objective for the community to build safe, caring and connected communities. DTESB is setting an international standard for reconciliation with Indigenous peoples and a vibrant arts and cultural program by implementing the first ever Reconciliation Action Plan for a major sporting event, as well as engaging the community in healthy and active lifestyles.

Service performance

Performance statement

Tourism and Events Development

Service area objective

To promote sustainable growth of the tourism industry by facilitating a strategic whole-of-government approach to planning and investment in the state's tourism assets and products, and the coordination and leveraging of one-off major events.

Service area description

The service area works across Government to:

- develop and influence policy that creates an environment to support economic growth in the tourism sector
- work in partnership with industry to increase the ability of the tourism sector to be more competitive in global and domestic markets
- attract and coordinate Government support for the delivery of major events and maximise the economic benefits from hosting major events in Queensland.

The service area works closely with Tourism and Events Queensland (TEQ) to showcase Queensland as an attractive destination for tourists, and investment in tourism infrastructure, events and experiences. It has a lead role in facilitating the development of sector capability and tourism product.

The service area also leads and coordinates Government service delivery for one-off major events. It is working closely with the Gold Coast 2018 Commonwealth Games Corporation (GOLDOC), the City of Gold Coast and the Australian Government to deliver Gold Coast 2018 Commonwealth Games (GC2018). It partners with other major event organising committees and leverages other government services and programs across multiple tiers of government to maximise long term economic and social benefits for Queensland.

2017-18 service area highlights

- Support the recovery of tourism in regions affected by ex-Tropical Cyclone Debbie, including through:
 - \$3.5 million for rebuilding and redevelopment of tourism infrastructure in the Whitsundays and surrounding areas, with matching funds from the Australian Government bringing the package to a total of \$7 million
 - additional support for tourism employment through the Young Tourism Leaders Program and an economic study for the Great Barrier Reef Resorts.
- Continue implementation of the *Advancing Tourism 2016-20: Growing Queensland Jobs* strategy which includes:
 - facilitating investment in tourism infrastructure and experiences, including those that showcase the Great Barrier Reef and our natural assets
 - encouraging the development of eco-tourism, Aboriginal and Torres Strait Islander, cultural and heritage tourism products, events and experiences across the state
 - building a skilled workforce to meet future demand through delivery of the Young Tourism Leaders program and other initiatives to encourage more people to pursue a career in tourism
 - delivering the DestinationQ agenda in partnership with industry to build a stronger, sustainable tourism industry for Queensland
 - attracting new aviation services to Queensland through the Attracting Aviation Investment Fund (AAIF) and the Advance Queensland: Connecting with Asia Fund.
- Continue to attract investment and provide facilitation support for the development of tourism infrastructure across the state.

- Deliver the GC2018 and Embracing 2018 legacy initiatives including:
 - working across Government to realise the vision for the Gold Coast Health and Knowledge Precinct
 - the launch and implementation of the Reconciliation Action Plan
 - the Arts and Culture program.
- Work with Ministers, Tourism and Events Queensland and the tourism industry to capitalise on Queensland's exposure from GC2018 to attract visitors, events and investment in tourism infrastructure and business opportunities.

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2016-17 Target/Est.	2016-17 Est. Actual	2017-18 Target/Est.
Service area: Tourism and Events Development				
Service standards				
<i>Effectiveness measures</i>				
Amount of additional capital attracted into tourism investment	1, 2	\$100 million	\$148.5 million	\$120 million
Additional seats by targeted airlines on routes supported by the Attracting Aviation Investment Fund	3	220,000	436,000	240,000
Grow international overnight visitor expenditure in Queensland supported by the Advance Queensland: Connecting with Asia Fund	4	New measure	New measure	\$40 million
Level of Commonwealth Games Federation's satisfaction with preparedness for the Commonwealth Games	5, 6	Satisfied	Satisfied	Satisfied
<i>Efficiency measure</i>				
Ratio of tourism investment attraction costs to the value of direct capital attracted	1, 7	\$1:\$160	\$1:\$255	\$1:\$168

Notes:

1. The capital investment pipeline developed over the past several years is starting to yield strong results which is reflected in the variance between the 2016-17 Target/Estimate to the 2016-17 Estimated Actual.
2. The strong capital investment in tourism infrastructure and product is also reflected in the increase in the 2017-18 Target/Estimate.
3. The 2016-17 Estimated Actual measure is significantly higher than the 2016-17 Target/Estimate, and trends over previous years, due to the actual exceeding expectations. Contracts are for a defined period and therefore it is to be expected that at points in time, there can be significant increases or decreases in inbound seat capacity, regardless of whether or not the service continues beyond the contract period.
4. This new measure reports progress towards achieving the Advance Queensland: Connecting with Asia target of generating additional overnight visitor expenditure over the four year program.
5. The assessment of satisfaction is undertaken by a comprehensive external assessment of progress against an extensive list of requirements compiled from the experience of previous games and the host city bid proposal and schedules. The assessment is made by the international oversight body the Commonwealth Games Federation. This service standard is shared by GOLDOC which is responsible for planning the operational aspect of the event and the Department of Tourism, Small Business, Major Events and Commonwealth Games which is responsible for co-ordinating the necessary infrastructure and government services to support the Commonwealth Games.
6. The Estimated Actual reflects the Commonwealth Games Federation Coordination Commission's (CoCom) satisfactory assessment made in December 2016.
7. This measure assesses the input for staffing costs of tourism investment attraction activities undertaken by DTEsb's Tourism Division in securing new capital investment for the tourism industry.

Small Business Services

Service area objective

To ensure businesses can seamlessly interact with government and are better equipped to manage and grow their business.

Service area

This service area focuses on products and services that are delivered to business and industry customers (particularly small business) to better enable them to grow and make it easier for small businesses to interact with government.

This service area directly impacts on the people of Queensland by:

- enhancing the capacity of business to engage with markets, attract investors, navigate the business/regulatory environment and access tools, resources and expertise to grow and succeed
- engaging other business-focused government agencies to facilitate the delivery of online services for small business via Business Queensland online at www.business.qld.gov.au
- proactively employing strategies that deliver better regulation and simplify compliance to make it easier for small business.

2017-18 service area highlights

- Provide more than \$4 million for a Small Business Recovery package to regions affected by ex-Tropical Cyclone Debbie, which includes:
 - \$2 million for the *Go Local - keep Queensland going strong* campaign that encourages people to buy from local businesses and help maintain local jobs and local economies
 - \$1.5 million for grants to eligible small business to support business recovery
 - workshops and tailored mental health and disaster recovery support services for affected small businesses.
- Continue implementation of the *Advancing Small Business Queensland Strategy 2016-20* which includes:
 - supporting the creation of new businesses, helping existing businesses to work smarter and be more resilient and assisting businesses with high growth aspirations to grow and employ through the delivery of three targeted grants programs, mentoring and promoting linkages to other Queensland programs
 - supporting the Small Business Champion, the Queensland Small Business Advisory Council and the Better Regulation Taskforce to advocate for the interests of small business across all levels of governments
 - supporting small business policy and program decisions through detailed research and analytics
 - improving the Queensland Government's online services to business via the Business Queensland website to make it easier to access the right service at the right time for customers via a single online location
 - delivering Small Business Week events that provide networking and knowledge exchange opportunities
 - assisting women, Aboriginal and Torres Strait Islander people and people with a disability to start and grow businesses.

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2016-17 Target/Est.	2016-17 Est. Actual	2017-18 Target/Est.
Service area: Small Business Services				
Service standards <i>Effectiveness measures</i> Customer Impact Index: the level of customer value derived from using Business Queensland online which incorporates customer awareness, experience and satisfaction	1, 2	>60%	65.6%	>65%
Percentage of new or existing business reporting increased capability including digital as a direct result of participation in small business grant programs	3, 4	>75%	N/A	>75%
Percentage of businesses assisted by small business programs that report after 12 months declaring a 10 per cent increase in either employment, turnover or profitability	3, 5	90%	83%	90%
<i>Efficiency measure</i> Average cost to DTESB to provide online services per customer visit	6, 7, 8	\$0.70 - \$0.80	\$0.57	\$0.60 - \$0.70

Notes:

- The Customer Impact Index (CII) incorporates three elements - Customer awareness, Customer experience and Customer satisfaction. This approach determines customer value by assessing the customer's perception of the usefulness and importance of the benefits received from the services which go beyond an estimate of time and effort saved. The assessment of the three elements better enables the targeting of service improvement areas based on direct customer feedback. It incorporates both qualitative data captured through direct customer complaints and complements feedback mechanisms, surveys, customer focus groups/observations and data from various quantitative data sources.
- The 2017-18 Target/Estimate is an overall average for the CII. It is calculated by an aggregation of customer feedback results across the three indices - customer awareness, customer experience and customer satisfaction. The target has been maintained at >60% based on the 2015-16 actual result which is reported here against the 2016-17 Estimated Actual. Finalisation of the 2016-17 result will occur during June 2017 and will be reported in the department's 2016-17 Annual Report.
- Innovation and technology are primary sources of competitive advantage for businesses, in nearly all industries and environments. These elements also drive efficiency and higher productivity. The department gauges the success of its small business grant programs by the reported increase in digital capability, turnover and employment.
- This measure assesses the effectiveness of a broad range of new and existing small business grant programs outlined in the *Advancing Small Business Queensland Strategy 2016-20* to increase the capability of small businesses in using digital technologies and implementing innovative solutions to improve their business. The majority of small business grant programs are in the early stages of delivery and grantees are still in the process of implementing changes to their business. Results on the benefits achieved by these grant programs will only begin to be available in 2017-18. The Home-based Business grants program will be profiled in the 2016-17 DTESB Annual Report including any post-participation results available by the end of June 2017.
- This measure will incorporate existing and new programs under the *Advancing Small Business Queensland Strategy 2016-20* including Mentoring for Growth and the *Accelerate Small Business* grants. The Estimated Actual for 2016-17 includes results for Mentoring for Growth only. The Accelerate Small Business grants are still being rolled out and are not due to commence providing 12 month post participation reports until the 2017-18 financial year.
- Average cost to DTESB to provide online services per customer visit is the average cost to the department to provide the online service to each customer, and is defined by using a customer session (which is a group of interactions undertaken on a website). This may include viewing a number of different webpages, completing an online application form or making a payment.
- The variance is due largely to increases in the number of visitor sessions to the Business Queensland website. Visitor sessions have increased by over 1.3 million sessions above the target baseline. Efficiencies gained through a restructure of the divisions in 2016 also contributed to improved performance.
- The Target/Estimate for 2017-18 has been adjusted to reflect the trend of lower average costs to provide on-line services per customer visit, as indicated by the 2016-17 Estimated Actual.

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 (DTESB) administers funds on behalf of the State which includes the provision of funding to Tourism and Events Queensland (TEQ) and the Gold Coast 2018 Commonwealth Games Corporation (GOLDOC).

TEQ is the Queensland Government's lead marketing, experience development and major events agency.

GOLDOC's purpose is to plan, organise and deliver the Gold Coast 2018 Commonwealth Games in conjunction with the Australian Commonwealth Games Association, the Commonwealth Games Federation, the City of Gold Coast and the Office of Commonwealth Games within DTESB and the Australian Government.

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

Departmental budget summary

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

Department of Tourism, Major Events, Small Business and the Commonwealth Games	2016-17 Budget \$'000	2016-17 Est. Actual \$'000	2017-18 Budget \$'000
CONTROLLED			
Income			
Appropriation revenue ¹			
Deferred from previous year/s	25,282	37,597	33,970
Balance of service appropriation	179,690	108,467	288,997
Other revenue	26,853	28,112	25,519
Total income	231,825	174,176	348,486
Expenses			
Tourism and Events Development	213,016	163,217	322,447
Small Business Services	18,809	11,080	26,039
Total expenses	231,825	174,297	348,486
Operating surplus/deficit	..	(121)	..
Net assets	1,963	1,429	1,429
ADMINISTERED			
Revenue			
Commonwealth revenue	..	..	..
Appropriation revenue	269,906	267,014	623,869
Other administered revenue	..	..	..
Total revenue	269,906	267,014	623,869
Expenses			
Transfers to government	..	..	..
Administered expenses	269,906	267,014	623,869
Total expenses	269,906	267,014	623,869
Net assets	..	..	..

Note:

1. Includes State and Commonwealth funding.

Service area sources of revenue¹

Sources of revenue 2017-18 Budget					
Department of Tourism, Major Events, Small Business and the Commonwealth Games	Total cost \$'000	State contribution \$'000	User charges and fees \$'000	C'wealth revenue \$'000	Other revenue \$'000
Tourism and Events Development	322,447	286,721	..	10,207	25,519
Small Business Services	26,039	26,039	..	..	..
Total	348,486	312,760	..	10,207	25,519

Note:

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

Budget measures summary

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

Department of Tourism, Major Events, Small Business and the Commonwealth Games	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
Revenue measures					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..
Expense measures¹					
Administered	..	..	..	..	47,052
Departmental	6,686	16,831	(288)	(366)	(262)
Capital measures					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..

Note:

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

Departmental capital program

Property, Plant and Equipment

The department's total plant and equipment purchases in 2017-18 is \$935,000 for the construction of Gold Coast 2018 Commonwealth Games (GC2018) venues, including:

- \$519,000 allocation to the Queensland State Velodrome for track cycling
- \$404,000 allocation to the Carrara Stadium upgrades for athletics.

Capital Grants

Total capital grants for the department in 2017-18 are \$18.8 million for the construction of GC2018 venues and Tourism developments in Mackay and Townsville, including:

- \$6.9 million is allocated as grants for the Carrara Precinct including Carrara Indoor Stadium, Carrara Southern Precinct and Gold Coast Sports and Leisure Centre for wrestling and badminton facilities
- \$1.7 million is allocated as grants for the Belmont Shooting Centre for clay target, full bore, pistol and small bore shooting
- \$1.5 million is allocated as grants for the Coomera Indoor Sports Centre for gymnastics and netball facilities
- \$1.3 million is allocated as grants for the Mackay Tourism Visitor Information Centre
- \$1.3 million is allocated as grants for the Village Roadshow Sound Stage 9 for squash, table tennis and boxing facilities
- \$1.2 million is allocated as grants for the Gold Coast Hockey Centre
- \$590,000 is allocated as grants for the Nerang Mountain Bike Trails
- \$541,000 allocated as grants for the Mt Inkerman Nature Tourism Development.

Capital budget

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2016-17 Budget \$'000	2016-17 Est. Actual \$'000	2017-18 Budget \$'000
Capital purchases¹				
Total land, buildings and infrastructure	
Total plant and equipment		11,665	11,567	935
Total other capital		83,296	86,086	18,779
Total capital purchases		94,961	97,653	19,714

Note:

1. For more detail on the agency's capital acquisitions please refer to *Capital Statement (Budget Paper 3)*.

Staffing¹

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2016-17 Budget	2016-17 Est. Actual	2017-18 Budget
Tourism and Events Development	2, 3, 4	101	74	57
Small Business Services	2, 3	66	68	67
TOTAL		167	142	124

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate FTEs are allocated across the service to which they relate.
3. The department participates in a partnership arrangement with the Departments of Agriculture and Fisheries, Environment and Heritage Protection and Natural Resources and Mines from which it receives other corporate services.
4. Reduction in 2016-17 Estimated Actual follows implementation of the whole-of-government resource sharing model. Under this model FTEs remain on their home department's payroll. FTEs within Tourism have remained constant.

Budgeted financial statements

Analysis of budgeted financial statements

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

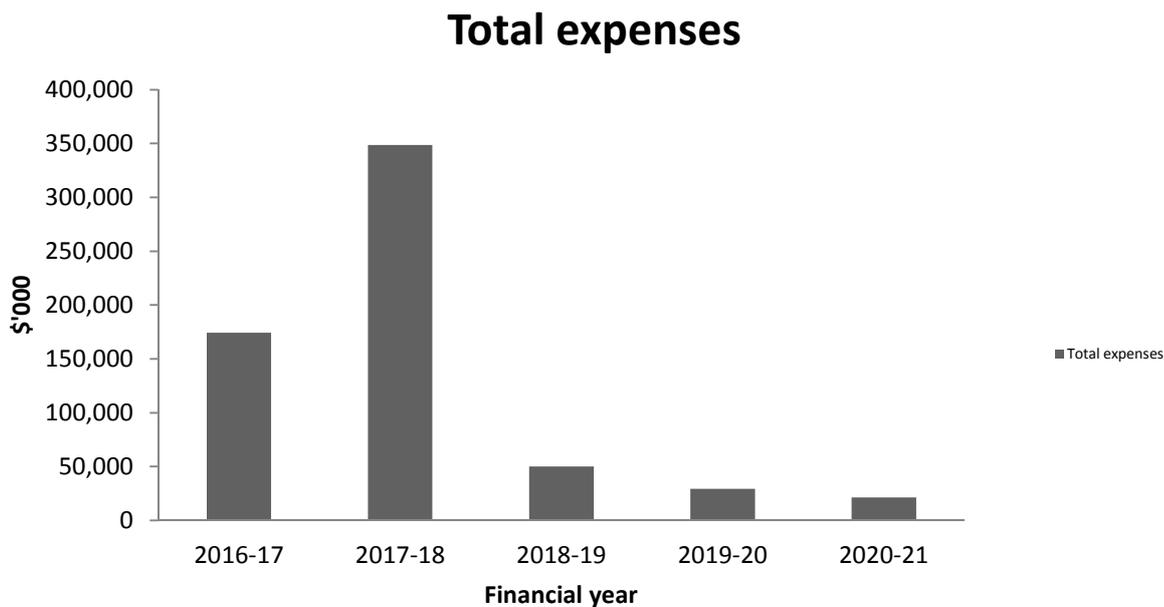
Departmental income statement

Total expenses are estimated to be \$348.5 million in 2017-18, an increase of \$174.2 million from the 2016-17 estimated actual. The increase is mainly due to additional expenses for the delivery of the Gold Coast 2018 Commonwealth Games (GC2018); increased expenses for the *Advancing Small Business Queensland* Strategy, the *Advance Queensland: Connecting with Asia* Strategy, *Aviation Boost*, and the *Tourism Demand Driver Infrastructure* programs; and new expenses for major events funding for *Tourism and Events Queensland* and the *Tourism and Small Business Recovery Package*.

The variation in funding over the forward estimates is the result of increased activity associated with preparations and delivery of the GC2018.

The movement in 2017-18 through 2020-21 largely reflects the decrease in expenses for the GC2018.

Chart: Total departmental expenses across the Forward Estimates period



Controlled income statement

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2016-17 Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
INCOME				
Appropriation revenue	1,7,12	204,972	146,064	322,967
Taxes		..	..	..
User charges and fees		..	..	..
Royalties and land rents		..	..	..
Grants and other contributions	2,8,13	26,853	28,112	25,519
Interest		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
Total income		231,825	174,176	348,486
EXPENSES				
Employee expenses	3	20,536	18,999	20,046
Supplies and services	4,9,14	72,138	13,202	129,579
Grants and subsidies	10,15	138,956	138,014	193,754
Depreciation and amortisation		54	34	14
Finance/borrowing costs		..	..	..
Other expenses	5,11,16	141	3,927	5,093
Losses on sale/revaluation of assets	6,17	..	121	..
Total expenses		231,825	174,297	348,486
OPERATING SURPLUS/(DEFICIT)		..	(121)	..

Controlled balance sheet

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2016-17 Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
CURRENT ASSETS				
Cash assets		4,401	4,173	4,021
Receivables		944	953	1,028
Other financial assets		..	..	..
Inventories		..	..	..
Other		..	..	..
Non-financial assets held for sale		..	..	..
Total current assets		5,345	5,126	5,049
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	18,19	537	13	11
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		537	13	11
TOTAL ASSETS		5,882	5,139	5,060
CURRENT LIABILITIES				
Payables		3,028	2,833	2,680
Accrued employee benefits		891	877	951
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		3,919	3,710	3,631
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	..	..
TOTAL LIABILITIES		3,919	3,710	3,631
NET ASSETS/(LIABILITIES)		1,963	1,429	1,429
EQUITY				
TOTAL EQUITY		1,963	1,429	1,429

Controlled cash flow statement

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2016-17 Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts	20,24,29	204,972	134,437	322,967
User charges and fees		78	58	9
Royalties and land rent receipts		..	..	..
Grants and other contributions	21,25,30	26,853	24,326	20,567
Interest received		..	..	..
Taxes		..	..	..
Other		..	..	..
Outflows:				
Employee costs	22	(20,711)	(19,024)	(20,056)
Supplies and services	23,26,31	(71,951)	(2,633)	(129,735)
Grants and subsidies	27,32	(138,956)	(138,179)	(193,754)
Borrowing costs		..	..	..
Other		(139)	(139)	(138)
Net cash provided by or used in operating activities		146	(1,154)	(140)
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets	28,33	(11,665)	(11,567)	(935)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		(11,665)	(11,567)	(935)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	28,33	11,655	11,686	923
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		11,655	11,686	923
Net increase/(decrease) in cash held		136	(1,035)	(152)
Cash at the beginning of financial year		4,265	5,208	4,173
Cash transfers from restructure		..	..	..
Cash at the end of financial year		4,401	4,173	4,021

Administered income statement

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2016-17 Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
INCOME				
Appropriation revenue	34,35,36	269,906	267,014	623,869
Taxes		..	..	..
User charges and fees		..	..	..
Royalties and land rents		..	..	..
Grants and other contributions		..	..	..
Interest		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
Total income		269,906	267,014	623,869
EXPENSES				
Employee expenses		..	..	..
Supplies and services		..	..	..
Grants and subsidies	34,35,36	269,906	267,014	623,869
Depreciation and amortisation		..	..	..
Finance/borrowing costs		..	..	..
Other expenses		..	..	..
Losses on sale/revaluation of assets		..	..	..
Transfers of Administered Revenue to Government		..	..	..
Total expenses		269,906	267,014	623,869
OPERATING SURPLUS/(DEFICIT)		..	..	..

Administered balance sheet

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2016-17 Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
CURRENT ASSETS				
Cash assets	
Receivables	
Other financial assets	
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 ASSETS	
CURRENT LIABILITIES				
Payables	
Transfers to Government payable	
Accrued employee benefits	
Interest bearing liabilities and derivatives	
Provisions	
Other	
Total current liabilities	
NON-CURRENT LIABILITIES				
Payables	
Accrued employee benefits	
Interest bearing liabilities and derivatives	
Provisions	
Other	
Total non-current liabilities	
TOTAL LIABILITIES	
NET ASSETS/(LIABILITIES)	
EQUITY				
TOTAL EQUITY	

Administered cash flow statement

Department of Tourism, Major Events, Small Business and the Commonwealth Games	Notes	2016-17 Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts	37,38,39	269,906	267,956	623,869
User charges and fees		..	..	..
Royalties and land rent receipts		..	..	..
Grants and other contributions		..	..	..
Interest received		..	..	..
Taxes		..	..	..
Other		..	..	..
Outflows:				
Employee costs		..	..	..
Supplies and services		..	..	..
Grants and subsidies	37,38,39	(269,906)	(267,956)	(623,869)
Borrowing costs		..	..	..
Other		..	..	..
Transfers to Government		..	..	..
Net cash provided by or used in operating activities		..	..	..
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or 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 or used in financing activities		..	..	..
Net increase/(decrease) in cash held		..	..	..
Cash at the beginning of financial year		..	..	..
Cash transfers from restructure		..	..	..
Cash at the end of financial year		..	..	..

Explanation of variances in the financial statements

Income statement

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

1. The decrease relates largely to the realignment of revenue to match anticipated expenses for the Gold Coast 2018 Commonwealth Games (GC2018), *Advancing Small Business Queensland Strategy* (ASBQS), Aviation Boost, Tourism Demand Driver Infrastructure (TDDI) programs and the *Advance Queensland: Connecting with Asia Strategy* (AQCA). This is partially offset by new funding provided for the Major Events funding for Tourism and Events Queensland (METEQ).
2. The increase relates to the addition of Services Received Below Fair Value for the GC2018 for staff seconded to the Office of the Commonwealth Games (OCG) to deliver the GC2018 through the Whole of Government resource sharing model (WOGSRM) process (see note 5 for the corresponding expense). This is partially offset by a reduction in anticipated contributions towards CG2018 venues from the City of Gold Coast (CGC), which are now to be provided on an in-kind basis.
3. The decrease principally relates to a realignment of staffing requirements resulting from the implementation of the WOGSRM process within the OCG to deliver the GC2018. This is partially offset by increases due to Enterprise Bargaining Agreement (EBA) outcomes for the department.
4. The decrease relates largely to a realignment to match the timing of anticipated expenditure for the GC2018, AQCA and the ASBQS.
5. The increase relates to the Services Received Below Fair Value for staff seconded to the OCG to deliver the GC2018 through the WOGSRM process (see note 2 for the corresponding revenue).
6. The increase relates to the write off of leasehold improvements for 111 George Street due to the move during 2016-17 to new leased accommodation as part of the Whole of Government Brisbane Central Business District Government Accommodation Strategy as reflected by the 2016-17 operating deficit.

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

7. The increase principally relates to the matching of funding to anticipated expenditure for existing GC2018, ASBQS, AQCA and TDDI programs; with new funding provided for the METEQ and the Tourism and Small Business Recovery Package (TSBRP).
8. The decrease relates to the reduction in anticipated contributions towards CGC towards GC2018 venues from the CGC. This is partially offset by the addition of Services Received Below Fair Value for staff seconded to the OCG to deliver the GC2018 through the WOGSRM process (see note 11 for the corresponding expense).
9. The increase primarily relates to additional requirements to deliver the GC2018 and a realignment of planned expenditure for the ASBQS. This is partially offset by a realignment of expenditure for the AQCA program.
10. The increase principally relates to additional operating grants required to deliver the GC2018, METEQ and TSBRP and the realignment of planned operating grants expenditure for the AQCA, TDDI and ASBQS.
11. The increase relates to the Services Received Below Fair Value for staff seconded to the OCG to deliver the GC2018 through the WOGSRM process (see note 8 for the corresponding revenue).

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

12. The increase principally relates to the matching of funding to anticipated expenditure for existing GC2018, ASBQS, AQCA and TDDI programs; with new funding provided for the METEQ and TSBRP.
13. The decrease relates to the reduction in anticipated contributions towards GC2018 venues from the CGC. This is partially offset by the addition of Services Received Below Fair Value for staff seconded to the OCG to deliver the GC2018 through the WOGSRM process (see note 16 for the corresponding expense).
14. The increase primarily relates to additional requirements to deliver the GC2018 and the realignment of planned expenditure for the ASBQS.
15. The increase principally relates to additional operating grants required to deliver the GC2018 and the realignment of planned operating grants expenditure for the Aviation Boost, TDDI, AQCA and ASBQS programs and new expenses for the METEQ and TSBRP.
16. The increase relates to the Services Received Below Fair Value for staff seconded to the OCG to deliver the GC2018 through the WOGSRM process (see note 13 for the corresponding revenue).

17. The increase relates to the write off of leasehold improvements for 111 George Street due to the move during 2016-17 to new leased accommodation as part of the whole-of-government Brisbane Central Business District Government Accommodation Strategy as reflected by the 2016-17 operating deficit.

Balance sheet

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

18. The decrease primarily relates to the reduction of capital works in progress for the GC2018 relating to the Belmont Shooting Centre and the write off of leasehold improvements for 111 George Street.

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

19. The decrease primarily relates to the reduction of capital works in progress for the GC2018 relating to the Belmont Shooting Centre and the write off of leasehold improvements for 111 George Street.

Cash flow statement

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

20. The decrease relates largely to the realignment of revenue to match anticipated expenditure for the the GC2018, ASBQS, Aviation Boost, TDDI and the AQCA. This is partially offset by new funding provided for the METEQ.
21. The decrease relates largely to the reduction in anticipated contributions towards GC2018 venues from the CGC, which are now to be provided on an in-kind basis.
22. The decrease principally relates to a realignment of staffing requirements resulting from the implementation of the WOGSRM process within the OCG to deliver the GC2018. This is partially offset by increases due to EBA outcomes for the department.
23. The decrease relates largely to a realignment to match the timing of anticipated expenditure for the GC2018, AQCA and the ASBQS.

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

24. The increase principally relates to the matching of funding to anticipated expenditure for existing GC2018, ASBQS, AQCA and TDDI programs; with new funding provided for the METEQ and TSBRP.
25. The decrease relates to the reduction in anticipated contributions towards CGC towards GC2018 venues from the CGC.
26. The increase primarily relates to additional requirements to deliver the GC2018 and a realignment of planned expenditure for the ASBQS. This is partially offset by a realignment of expenditure for the AQCA program.
27. The increase principally relates to additional operating grants required to deliver the GC2018, METEQ and TSBRP and the realignment of planned operating grants expenditure for the AQCA, TDDI and ASBQS.
28. The decrease principally relates to a planned reduction from 2016-17 to 2017-18 in GC2018 venues capital expenditure for the Queensland State Velodrome and Cararra Stadium.

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

29. The increase principally relates to the matching of funding to anticipated expenditure for existing GC2018, ASBQS, AQCA and TDDI programs; with new funding provided for the METEQ and TSBRP.
30. The decrease relates to the reduction in anticipated contributions towards GC2018 venues from the CGC.
31. The increase primarily relates to additional requirements to deliver the GC2018 and the realignment of planned expenditure for the ASBQS.
32. The increase principally relates to additional operating grants required to deliver the GC2018 and the realignment of planned operating grants expenditure for the Aviation Boost, TDDI, AQCA and ASBQS programs and new expenses for the METEQ and TSBRP.
33. The decrease principally relates to a planned reduction from 2016-17 to 2017-18 in GC2018 venues capital expenditure for the Queensland State Velodrome and Cararra Stadium.

Administered income statement

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

34. The decrease principally relates to a realignment for Tourism and Events Queensland (TEQ) to match cashflows to known commitments for tourism campaigns and events.

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

35. The increase principally relates to the Gold Coast 2018 Commonwealth Games Corporation (GOLDOC) and is associated with expected costs for event preparation.

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

36. The increase principally relates to GOLDOC and is associated with expected costs for event preparation.

Administered cash flow statement

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

37. The decrease principally relates to a realignment for TEQ to match cashflows to known commitments for tourism campaigns and events.

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

38. The increase principally relates to GOLDOC and is associated with expected costs for event preparation.

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

39. The increase principally relates to GOLDOC and is associated with expected costs for event preparation.

Statutory bodies

Gold Coast 2018 Commonwealth Games Corporation

Overview

Gold Coast 2018 Commonwealth Games Corporation (GOLDOC) was established on 1 January 2012 under the *Commonwealth Games Arrangements Act 2011* to plan, organise and deliver the Gold Coast 2018 Commonwealth Games (GC2018). GOLDOC's vision is to stage a great Games in a great city, leaving great memories and great benefits for all.

GOLDOC's mission is to conduct an athlete-focused Games with excellent competition in a fun and friendly environment with long lasting benefits for the Gold Coast, Queensland, Australia and the Commonwealth.

GOLDOC's strategic plan directly contributes to the Queensland Government's objectives for the community:

- Creating jobs and a diverse economy by:
 - helping to stimulate economic growth and innovation by working with our government and non-government partners to promote Queensland tourism as part of the GC2018 experience
 - supporting the delivery of new infrastructure and investment by working with our government and non-government partners to make the most of the opportunities presented by GC2018.
- Building safe, caring and connected communities by:
 - engaging and harnessing the enthusiasm of our communities and local industry to participate in Games related activities
 - presenting GC2018 in a creative way that will encourage comprehensive and positive exposure and support
 - engaging a volunteer workforce of up to 15,000 people by the commencement of GC2018.

Service summary

The year 2017-18 will see the final delivery of GC2018 from 4-15 April 2018. GC2018 will see years of integrated planning activities come to fruition from event logistics and competition planning to infrastructure delivery, all designed to deliver a great Games, drive economic benefit and provide a meaningful legacy for Queensland.

The Commonwealth Games Federation's Coordination Commission (CoCom) visited the Gold Coast in December 2016 to evaluate progress in the organisation of GC2018. The CoCom reconfirmed its confidence in GOLDOC and the Games delivery partners to deliver a high quality technical Games.

Key strategic priorities to ensure the success of the Games include:

- the sale of over 1 million tickets to GC2018 following the launch of the ticketing program in April 2017
- the Queen's Baton Relay, traversing 70 Commonwealth nations and territories, to generate excitement and build momentum over 388 days leading up to the commencement of GC2018. This will include the selection of approximately 3,800 Australian batonbearers to be a part of the excitement of the Queen's Baton Relay as it travels across Australia. The domestic route will be coordinated by local working groups to ensure each celebration community is appropriately represented
- the selection and training of up to 15,000 volunteers to assist with spectator services, uniform, transport and other services. The selection process will follow the successful recruitment program which saw more than 47,000 applications received
- completing venue development and overlay for all venues including the Commonwealth Games Village. Finalising procurement of all works packages will also be required during 2017-18 to deliver the overlay works
- delivery of a security workforce for venue security, designed to complement GC2018 security measures being delivered by the Queensland Police Service and Australian Government agencies, which will ensure a safe, secure and friendly GC2018 for everyone.

Service performance

Performance statement

Gold Coast 2018 Commonwealth Games Corporation

Service area objective

To plan, organise and deliver the Gold Coast 2018 Commonwealth Games (GC2018) in conjunction with Commonwealth Games Australia (CGA), the Commonwealth Games Federation (CGF), the City of Gold Coast (CGC), the Office of the Commonwealth Games (OCG) within the department, and the Australian Government.

Service area description

The Gold Coast 2018 Commonwealth Games Corporation (GOLDOC) has responsibility for planning, organising and conducting GC2018. GOLDOC does this in conjunction with the CGA, the CGF, the OCG and the CGC. Its role also includes the promotion, marketing and the commercial and financial management of GC2018.

GC2018 will be the largest elite multi-sport event ever hosted on the Gold Coast. Across 11 days of competition from 4-15 April 2018, 6,600 athletes and technical officials from 70 Commonwealth nations and territories will compete in 18 sports, including an integrated para-sport program. GC2018 will be delivered by a team of more than 1,400 paid employees and up to 15,000 volunteers. The Opening and Closing ceremonies will be held at Carrara Stadium and broadcast to an estimated cumulative global audience of 1.5 billion people.

Gold Coast 2018 Commonwealth Games Corporation	Notes	2016-17 Target/Est.	2016-17 Est. Actual	2017-18 Target/Est.
Service area: GOLDOC				
Service standards				
<i>Effectiveness measures</i>				
CGF's level of satisfaction with preparedness for GC2018	1	Satisfied	Satisfied	Satisfied
Level of target markets engagement in GC2018	2	50%	62%	65%
<i>Efficiency measure</i>				
Percentage of total GC2018 commercial revenue target contracted	3	60%	60%	100%

Notes:

1. This assessment of satisfaction is undertaken by a comprehensive external assessment of progress against an extensive list of requirements compiled from the experience of previous Commonwealth Games and the host city bid proposal and schedules. The assessment is made by the international oversight body, the Commonwealth Games Federation. This service standard is shared by GOLDOC which is responsible for planning the delivery of the actual event and the Department of Tourism, Small Business, Major Events and Commonwealth Games which is responsible for coordinating the necessary infrastructure and government services to support GC2018. The Estimated Actual reflects the Commonwealth Games Federation Coordination Commission's (CoCom) satisfactory assessment made in December 2016.
2. The 2017-18 Target/Estimate has been increased from 50% in 2016-17. 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. Surveys are undertaken twice per year and conducted by an independent market research agency.
3. The 2017-18 Target/Estimate has been increased from 60% in 2016-17. Commercial revenue includes broadcast right holder fees, merchandising and royalty fees and the sale of tickets and sponsorships as forecast for the period from GOLDOC's formation until 30 June 2018. Contracts are negotiated progressively up until delivery of GC2018. The 2017-18 Target/Estimate is the expected progress towards the total by the end of June 2018.

Staffing¹

Gold Coast 2018 Commonwealth Games Corporation (GOLDOC)	Notes	2016-17 Budget	2016-17 Est. Actual	2017-18 Budget
GOLDOC	2, 3	509	487	867

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. The increase in staffing is to ensure the delivery of all planned milestones in accordance with GOLDOC's business plan and compliance requirements set by the Commonwealth Games Federation.
3. The planned increase is aligned with the anticipated growth of an organising committee (as demonstrated by past Games). It also reflects various delivery model decisions, with certain functions being delivered in-house rather than outsourced to reduce risk and provide greater cost efficiencies.

Income statement

Gold Coast 2018 Commonwealth Games Corporation	Notes	2016-17 Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
INCOME				
Taxes		..	..	..
User charges and fees	1,4,10	2,696	9,046	221,304
Grants and other contributions	5,11	170,480	171,793	524,973
Interest		1,018	2,375	1,746
Other revenue		1	73	157
Gains on sale/revaluation of assets		..	..	..
Total income		174,195	183,287	748,180
EXPENSES				
Employee expenses	6,12	57,546	60,080	100,423
Supplies and services	7,13	123,761	120,768	652,210
Grants and subsidies		..	..	..
Depreciation and amortisation	2,8,14	9,665	8,824	11,938
Finance/borrowing costs		..	..	..
Other expenses		115	309	298
Losses on sale/revaluation of assets		477	94	4
Total expenses		191,564	190,075	764,873
OPERATING SURPLUS/(DEFICIT)	3,9,15	(17,369)	(6,788)	(16,693)

Balance sheet

Gold Coast 2018 Commonwealth Games Corporation	Notes	2016-17 Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
CURRENT ASSETS				
Cash assets	16,24,32	43,072	89,189	3,183
Receivables	17,25,33	42,620	2,096	1,282
Other financial assets		243	3	(1)
Inventories		..	..	..
Other		541	412	532
Non-financial assets held for sale		..	..	..
Total current assets		86,476	91,700	4,996
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	1	..
Property, plant and equipment	18,26,34	7,600	6,843	..
Intangibles	19,27,35	812	3,242	..
Other		..	533	..
Total non-current assets		8,412	10,619	..
TOTAL ASSETS		94,888	102,319	4,996
CURRENT LIABILITIES				
Payables	20,28,36	296	2,057	59
Accrued employee benefits	21,29,37	1,720	3,134	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	22,30,38	91,063	75,498	..
Total current liabilities		93,079	80,689	59
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	..	..
TOTAL LIABILITIES		93,079	80,689	59
NET ASSETS/(LIABILITIES)		1,809	21,630	4,937
EQUITY				
TOTAL EQUITY	23,31,39	1,809	21,630	4,937

Cash flow statement

Gold Coast 2018 Commonwealth Games Corporation	Notes	2016-17 Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	40,45,52	54,798	46,250	155,413
Grants and other contributions	41,46,53	145,740	171,793	524,973
Interest received		1,018	2,380	1,746
Taxes		..	..	..
Other	42,47,54	12,102	9,917	60,702
Outflows:				
Employee costs	48,55	(57,537)	(59,506)	(103,557)
Supplies and services	49,56	(135,259)	(133,035)	(712,769)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other	43,50,57	(2,168)	(4,240)	(10,661)
Net cash provided by or used in operating activities		18,694	33,559	(84,153)
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets	44,51,58	(5,800)	(8,851)	(1,853)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		(5,800)	(8,851)	(1,853)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		..	..	..
Net increase/(decrease) in cash held		12,894	24,708	(86,006)
Cash at the beginning of financial year		30,178	64,481	89,189
Cash transfers from restructure		..	..	..
Cash at the end of financial year		43,072	89,189	3,183

Explanation of variances in the financial statements

Income statement

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

1. The increase in user charges and fees reflects changes in the anticipated timing of commercial revenue in 2016-17.
2. The decrease in depreciation and amortisation reflects changes in the anticipated timing of asset commissioning in 2016-17.
3. The decrease in operating deficit reflects Gold Coast 2018 Commonwealth Games Corporation's (GOLDOC) life cycle budget approach, appropriate for a limited life statutory body. Surpluses and deficits are budgeted and accounted for as required, with GOLDOC budgeting a zero equity position following its dissolution by 30 June 2019.

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

4. The increase in user charges and fees reflects the commercial revenues generated by GOLDOC's delivery of the Gold Coast 2018 Commonwealth Games (GC2018) in 2017-18.
5. The increase in grants and other contributions reflects the increased operational activity required for GOLDOC's delivery of the GC2018 in line with the milestones and strategic priorities in GOLDOC's business plan and the compliance requirements set by the Commonwealth Games Federation (CGF).
6. The increase in employee expenses reflects the increased staffing required for GOLDOC's delivery of the GC2018.
7. The increase in supplies and services reflects the increased operational activity required for GOLDOC's delivery of the GC2018.
8. The increase in depreciation and amortisation reflects the timing of assets commissioned in 2016-17.
9. The decrease in operating deficit reflects the utilisation of prior years' operating surpluses in line with GOLDOC's life cycle budget approach, appropriate for a limited life statutory body. Surpluses and deficits are budgeted and accounted for as required, with GOLDOC budgeting a zero equity position following its dissolution by 30 June 2019.

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

10. The increase in user charges and fees reflects the commercial revenues generated by GOLDOC's delivery of the GC2018 in 2017-18.
11. The increase in grants and other contributions reflects the increased operational activity required for GOLDOC's delivery of the GC2018 in line with the milestones and strategic priorities in GOLDOC's business plan and the compliance requirements set by the CGF.
12. The increase in employee expenses reflects the increased staffing required for GOLDOC's delivery of the GC2018.
13. The increase in supplies and services reflects the increased operational activity required for GOLDOC's delivery of the GC2018.
14. The increase in depreciation and amortisation reflects the timing of assets commissioned in 2016-17.
15. The increase in operating deficit reflects the increase in expenditure in the year of the GC2018 and utilisation of prior years' operating surpluses in line with GOLDOC's life cycle budget approach, appropriate for a limited life statutory body. The deficit is budgeted as grants were required to be recognised when received in prior years, while the expenditure of these funds is occurring across multiple years. GOLDOC has budgeted a zero equity position following its dissolution by 30 June 2019.

Balance sheet

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

16. The increase in cash assets reflects a grant payment being received in 2016-17 when anticipated to be receivable in 2017-18.
17. The decrease in current receivables reflects a grant payment being received in 2016-17 when anticipated to be receivable in 2017-18.

18. The decrease in property, plant and equipment reflects changes in the anticipated timing of asset commissioning in 2016-17.
19. The increase in intangibles reflects the reclassification of software development costs as capital expenditure.
20. The increase in current payables reflects changes in the anticipated timing of supplier payments planned for 2016-17 being payable in 2017-18.
21. The increase in current accrued employee benefits reflects changes to the anticipated accrued annual leave for 2016-17.
22. The decrease in other current liabilities reflects changes in the anticipated timing of commercial revenue in 2016-17.
23. The increase in total equity reflects an operating deficit rather than a small surplus in 2016-17 in line with GOLDOC's life cycle budget approach, appropriate for a limited life statutory body. GOLDOC has budgeted a zero equity position following its dissolution by 30 June 2019.

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

24. The decrease in cash assets reflects GOLDOC's delivery of the GC2018 and the commencement of GOLDOC's dissolution phase.
25. The decrease in current receivables reflects grants to be fully received in 2017-18.
26. The decrease in property, plant and equipment reflects GOLDOC's delivery of the GC2018 and the commencement of GOLDOC's dissolution phase.
27. The decrease in intangibles reflects GOLDOC's delivery of the GC2018 and the commencement of GOLDOC's dissolution phase.
28. The decrease in current payables reflects the anticipated timing of supplier payments due at 30 June 2018 given GOLDOC's delivery of the GC2018.
29. The decrease in current accrued employee benefits reflects GOLDOC's delivery of the GC2018 and the commencement of GOLDOC's dissolution phase.
30. The decrease in other current liabilities reflects the recognition of commercial revenue received in advance as revenue in 2017-18.
31. The increase in total equity reflects the operating deficit in 2017-18 utilising prior years' surpluses in line with GOLDOC's life cycle budget approach, appropriate for a limited life statutory body. GOLDOC has budgeted a zero equity position following its dissolution by 30 June 2019.

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

32. The decrease in cash assets reflects GOLDOC's delivery of the GC2018 and the commencement of GOLDOC's dissolution phase.
33. The decrease in current receivables reflects the anticipated timing of GST collectible from the Australian Taxation Office (ATO) being received in 2017-18.
34. The decrease in property, plant and equipment reflects GOLDOC's delivery of the GC2018 and the commencement of GOLDOC's dissolution phase.
35. The decrease in intangibles reflects GOLDOC's delivery of the GC2018 and the commencement of GOLDOC's dissolution phase.
36. The decrease in current payables reflects the anticipated timing of supplier payments due at 30 June 2018 given GOLDOC's delivery of the GC2018.
37. The decrease in current accrued employee benefits reflects GOLDOC's delivery of the GC2018 and the commencement of GOLDOC's dissolution phase.
38. The decrease in other current liabilities reflects the recognition of commercial revenue received in advance as revenue in 2017-18.
39. The decrease in total equity reflects the operating deficit in 2017-18 utilising prior years' surpluses in line with GOLDOC's life cycle budget approach, appropriate for a limited life statutory body. GOLDOC has budgeted a zero equity position following its dissolution by 30 June 2019.

Cash flow statement

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

40. The decrease in inflows for user charges and fees reflects changes in the anticipated timing of commercial revenue in 2016-17.
41. The increase in grants and other contributions reflects a grant being received in 2016-17 when anticipated to be receivable in 2017-18.
42. The decrease in other operating inflows reflects changes in the anticipated timing of GST collectible from the ATO for supplies and services in 2016-17.
43. The increase in other operating outflows reflects changes in the anticipated timing of GST payable to the ATO for commercial revenues in 2016-17.
44. The increase in outflows for payments for non-financial assets reflects the reclassification of software development costs as capital expenditure.

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

45. The increase in inflows for user charges and fees reflects the commercial revenues generated by GOLDOC's delivery of the GC2018.
46. The increase in inflows for grants and other contributions reflects the increased operational activity required for GOLDOC's delivery of the GC2018 in line with the milestones and strategic priorities in GOLDOC's business plan and the compliance requirements set by the CGF.
47. The increase in other operating inflows reflects the GST collectible from the ATO for the increase in supplies and services in 2017-18.
48. The increase in outflows for employee costs reflects the increased staffing required for GOLDOC's delivery of the GC2018.
49. The increase in outflows for supplies and services reflects the increased operational activity required for GOLDOC's delivery of the GC2018.
50. The increase in other operating outflows reflects the GST payable to the ATO for the increase in commercial revenues in 2017-18.
51. The decrease in outflows for payments for non-financial assets reflects GOLDOC's delivery of the GC2018 and the commencement of GOLDOC's dissolution phase.

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

52. The increase in inflows for user charges and fees reflects the commercial revenues generated by GOLDOC's delivery of the GC2018.
53. The increase in inflows for grants and other contributions reflects the increased operational activity required for GOLDOC's delivery of the GC2018 in line with the milestones and strategic priorities in GOLDOC's business plan and the compliance requirements set by the CGF.
54. The increase in other operating inflows reflects the GST collectible from the ATO for the increase in supplies and services in 2017-18.
55. The increase in outflows for employee costs reflects the increased staffing required for GOLDOC's delivery of the GC2018.
56. The increase in outflows for supplies and services reflects the increased operational activity required for GOLDOC's delivery of the GC2018.
57. The increase in other operating outflows reflects the GST payable to the ATO for the increase in commercial revenues in 2017-18.
58. The decrease in outflows for payments for non-financial assets reflects GOLDOC's delivery of the GC2018 and the commencement of GOLDOC's dissolution phase.

Tourism and Events Queensland

Overview

Tourism and Events Queensland's (TEQ) vision is to inspire the world to experience the best address on earth. The organisation's objectives are to attract visitors to Queensland, generate overnight visitor expenditure, contribute to the Queensland economy, enhance the profile of Queensland and foster community pride in Queensland.

TEQ contributes to the Government's objectives for the community of creating jobs and a diverse economy; protecting the environment; and building safe, caring and connected communities by: marketing and promoting tourism in Queensland; tourism experience and destination development; working to identify, attract and promote major events; and providing support and leadership to Queensland's regional tourism organisation (RTO) network and industry.

Service summary

TEQ's focus areas for 2017-18 include:

- Showcasing Queensland's tourism and events experiences to key domestic and international markets through TEQ's experience-based marketing strategy. Marketing activity is delivered under the five pillars of: Reef, Islands, Beaches; Natural Encounters; Adventure and Discovery; Queensland Lifestyle, Culture and People; and Events. TEQ is working with Tourism Australia, RTO and industry to identify leverage opportunities under this strategy.
- Strengthening Queensland's events calendar through: attracting and securing major events for Queensland; strategically investing in events that deliver the greatest benefits across Queensland; and maximising tourism opportunities associated with the Gold Coast 2018 Commonwealth Games (GC2018). Event highlights include: Marvel: Creating the Cinematic Universe Exhibition and the UCI World Mountain Bike Championships; high value business events such as Infinitus China 2018 Incentive Tour; and supporting regional tourism through TEQ's Queensland Destination Events Program (QDEP).
- Working with the Department of Tourism, Major Events, Small Business and the Commonwealth Games, RTOs, industry, airports and airlines to maximise opportunities for Queensland under the \$33.5 million *Advance Queensland: Connecting with Asia Strategy* and the Attracting Aviation Investment Fund. One final and two in-principle proposals were approved under the Advance Queensland: Connecting with Asia Fund during 2016-17. Negotiations to secure airline partners for these in-principle proposals continues. TEQ's *Queensland Asia Tourism Strategy 2016-2025* complements this activity. The strategy's aspirational goal, of making Queensland the leading Australian destination in market share, reputation and experience delivery for Asian travellers, has the potential to deliver an increase in overnight visitor expenditure from Asian markets to \$6.8 billion and support up to 30,000 additional jobs by 2025.
- Working with key partners, such as the Gold Coast 2018 Commonwealth Games Corporation, to optimise the tourism value of GC2018. TEQ's focus is on maximising interstate and international visitation, length of stay and overnight visitor expenditure pre, during and post GC2018. Key activities domestically and internationally include: trade and media engagement, digital marketing and public relations activity; and consumer marketing activities delivered in conjunction with key commercial partners and via the *It's Live! in Queensland* campaign platform.
- Continuing to grow TEQ's digital footprint which currently includes an engaged audience of more than 3.5 million consumers globally across e-newsletter and social media platforms.
- Delivering destination and experience development activities such as: reinforcing Queensland's competitive position through the Signature Experiences Program, encouraging and supporting the tourism industry to innovate and deliver quality visitor experiences, and supporting Queensland's RTOs.
- Implementing activities to strengthen the tourism potential of the international education market in Queensland. During 2017-18 TEQ will continue to work with Trade and Investment Queensland to assist in implementing its *International Education and Training Strategy to Advance Queensland 2016-2026*.

Service performance

Performance statement

Tourism and Events Queensland

Service area objective

To achieve economic and social benefits for the State by growing the tourism and events industry in a partnership between industry and government.

Service area description

Tourism and Events Queensland's (TEQ) core functions are marketing, event acquisition and experience development.

Tourism and Events Queensland	Notes	2016-17 Target/Est.	2016-17 Est. Actual	2017-18 Target/Est.
Service area: Tourism and Events Queensland				
Service standards				
<i>Effectiveness measures</i>				
Overnight visitor expenditure generated by events within the TEQ portfolio		\$300 million	\$315 million	\$330 million
Direct visitor nights generated by events within the TEQ portfolio		1,750,000	1,837,500	1,925,000
Direct and incremental spending generated by events within the TEQ portfolio		\$375 million	\$393.8 million	\$412.5 million
Visitors to Queensland generated by events within the TEQ portfolio		225,000	236,250	247,500
Publicity and promotional value generated by TEQ activities	1	\$220 million	\$220 million	\$220 million
Value of collaborative support	2	\$19 million	\$20 million	\$20 million
<i>Efficiency measure</i>				
Efficient leverage of regional and strategic partnership investment	3	1:1	1:1	1:1

Notes:

1. This measure does not include the publicity generated by TEQ's digital marketing activities. TEQ is working to develop a new measure/service standard for inclusion in future *Service Delivery Statements* that captures TEQ's increasing efforts in generating publicity through social media and other online content.
2. Collaborative value includes all direct, indirect, contra and in-kind partner support (valued in writing from partners and/or forming part of a formalised agreement) for tourism and event marketing and destination and experience development projects. This service standard also includes cooperative marketing support secured through the Attracting Aviation Investment Fund which is administered by the department.
3. This service standard measures the ratio of partner investment to the investment made by TEQ in regional and partnership activities.

Staffing¹

Tourism and Events Queensland	Notes	2016-17 Budget	2016-17 Est. Actual	2017-18 Budget
Tourism and Events Queensland	2, 3	140	144	151

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. The increase in FTE from the 2016-17 Budget to the 2016-17 Estimated Actual is due to two temporary positions associated with maximising tourism outcomes from the Gold Coast 2018 Commonwealth Games and two project positions in place to deliver in market activities under the Advance Queensland: Connecting with Asia Fund.
3. The 2017-18 Budget FTE includes a base FTE of 140 and 11 project positions to deliver in market activities under the Advance Queensland: Connecting with Asia Fund.

Income statement

Tourism and Events Queensland	Notes	2016-17 Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
INCOME				
Taxes		..	..	..
User charges and fees		10,000	10,000	10,000
Grants and other contributions	1,5,9	102,736	107,758	109,192
Interest		200	200	200
Other revenue		400	400	400
Gains on sale/revaluation of assets		..	..	..
Total income		113,336	118,358	119,792
EXPENSES				
Employee expenses	2,6	17,965	18,829	19,987
Supplies and services	3,7	54,001	54,752	52,090
Grants and subsidies	4,8	39,820	43,327	46,265
Depreciation and amortisation		400	400	400
Finance/borrowing costs		..	..	..
Other expenses		1,150	1,050	1,050
Losses on sale/revaluation of assets		..	..	..
Total expenses		113,336	118,358	119,792
OPERATING SURPLUS/(DEFICIT)		..	..	..

Balance sheet

Tourism and Events Queensland	Notes	2016-17 Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
CURRENT ASSETS				
Cash assets		4,775	4,474	4,322
Receivables		3,721	3,011	3,421
Other financial assets		116	100	100
Inventories		..	..	..
Other		177	91	94
Non-financial assets held for sale		..	..	..
Total current assets		8,789	7,676	7,937
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets	10,13	745	..	..
Property, plant and equipment	11,14	1,254	655	355
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		1,999	655	355
TOTAL ASSETS		10,788	8,331	8,292
CURRENT LIABILITIES				
Payables	12,15	4,783	2,787	2,688
Accrued employee benefits		2,705	3,071	3,121
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		260	204	204
Total current liabilities		7,748	6,062	6,013
NON-CURRENT LIABILITIES				
Payables		314	217	217
Accrued employee benefits		517	507	517
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		831	724	734
TOTAL LIABILITIES		8,579	6,786	6,747
NET ASSETS/(LIABILITIES)		2,209	1,545	1,545
EQUITY				
TOTAL EQUITY		2,209	1,545	1,545

Cash flow statement

Tourism and Events Queensland	Notes	2016-17 Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees		10,202	10,202	9,602
Grants and other contributions	16,20,24	102,736	107,758	109,192
Interest received		200	200	200
Taxes		..	..	..
Other		388	388	388
Outflows:				
Employee costs	17,21	(17,905)	(18,769)	(19,927)
Supplies and services	18,22	(53,803)	(54,846)	(52,192)
Grants and subsidies	19,23	(39,820)	(43,327)	(46,265)
Borrowing costs		..	..	..
Other		(1,150)	(1,050)	(1,050)
Net cash provided by or used in operating activities		848	556	(52)
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets		(400)	(50)	(100)
Payments for investments		..	(58)	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		(400)	(108)	(100)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		..	..	..
Net increase/(decrease) in cash held		448	448	(152)
Cash at the beginning of financial year		4,327	4,026	4,474
Cash transfers from restructure		..	..	..
Cash at the end of financial year		4,775	4,474	4,322

Explanation of variances in the financial statements

Income statement

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

1. The increase is principally explained by additional funding received under the Attracting Aviation Investment Fund and other special initiative grants received from State and Commonwealth Government agencies during 2016-17.
2. The increase primarily reflects the one off Enterprise Bargaining Agreement payment and additional temporary roles related to Gold Coast 2018 Commonwealth Games (GC2018) and Asia Boost initiatives.
3. The increase primarily reflects the spend on marketing activities in line with approved programs.
4. The increase primarily reflects additional special initiative grant funding for events in line with approved programs.

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

5. The increase is principally as a result of special initiative grants that will be received in 2017-18.
6. The increase primarily reflects the cost of additional temporary roles related to GC2018 and the Asia Boost initiative in addition to agreed wage increases.
7. The decrease reflects the re-allocation of spend between event, marketing and operations activities in line with anticipated program activity.
8. The increase primarily reflects the additional special initiative grant funding for event acquisition and re-allocation of spend between event and marketing activities in line with approved programs.

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

9. The increase is principally explained by the deferral of grant funding of \$1.95 million from 2016-17 to match the timing of anticipated program activity and other special initiative grants received from State and Commonwealth agencies during 2016-17.

Balance sheet

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

10. The decrease is due to the impairment of the investment in Gold Coast Events Management Ltd in line with the strategy to utilise the entity's retained earnings to support delivery of its events.
11. The decrease is primarily due to the write off of fully depreciated property, plant and equipment and a reduced capital program relating to changed strategy for ICT service provision.
12. The decrease reflects an expected reduction in creditors at 30 June 2017 due to increased activity earlier in the financial year and therefore a more uniform spend profile.

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

13. The decrease is due to the impairment of the investment in Gold Coast Events Management Ltd in line with the strategy to utilise the entity's retained earnings to support delivery of its events.
14. The decrease reflects the reduced capital program relating to changed strategy for ICT service provision.
15. The decrease primarily reflects a more uniform spend profile throughout the financial year and therefore a reduction in the creditors balance as at 30 June.

Cash flow statement

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

16. The increase is principally explained by additional funding received under the Attracting Aviation Investment Fund and other special initiative grants received from State and Commonwealth Government agencies during 2016-17.
17. The increase primarily reflects the one off Enterprise Bargaining Agreement payment and additional temporary roles related to GC2018 and Asia Boost initiatives.

18. The increase primarily reflects the spend on marketing activities in line with approved programs.
19. The increase primarily reflects additional special initiative grant funding for events in line with approved programs.

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

20. The increase is principally as a result of special initiative grants that will be received in 2017-18.
21. The increase primarily reflects the cost of additional temporary roles related to GC2018 and the Asia Boost initiative in addition to agreed wage increases.
22. The decrease reflects the re-allocation of spend between event, marketing and operations activities in line with anticipated program activity.
23. The increase primarily reflects the additional special initiative grant funding for event acquisition and re-allocation of spend between event and marketing activities in line with approved programs.

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

24. The increase is principally explained by the deferral of grant funding of \$1.95 million from 2016-17 to match the timing of anticipated program activity and other special initiative grants received from State and Commonwealth agencies during 2016-17.

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: <ul style="list-style-type: none"> • 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 wellbeing. 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.
Service area	Related services grouped into a high level service area for communicating the broad types of services delivered by an agency.
Service standard	Define a level of performance that is expected to be achieved appropriate for the service area or service. Service standards are measures of efficiency or effectiveness.

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



Queensland Budget 2017-18

Service Delivery Statements

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