

ADDITIONAL INFORMATION

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Financial summary 2014–15

The financial summary provides an overview of DPC's financial performance for 2014–15. A detailed view of the department's financial performance for 2014–15 is provided in the financial statements included in this Annual Report. In accordance with the *Financial Accountability Act 2009* the Chief Financial Officer has provided the Director-General with a statement that the department's financial internal controls are operating efficiently, effectively and economically.

The key financial event that occurred in 2014–15 was the machinery of government transfer-in of Arts Queensland (AQ) and Corporate Administration Agency (CAA) from the former Department of Science Information Technology, Innovation and the Arts (DSITIA) on 1 March 2015.

This addition increased departmental income from \$100 million in 2013–14 to \$177 million in 2014–15. The transfer-in also increased the percentage of total income from grants income and user charges and fees.

There was also a significant increase to the department's net assets position to \$664 million (2013–14:

\$8 million). This increase is from the land and buildings at the newly heritage listed South Bank Cultural Precinct, as well as additional properties at South Brisbane and Fortitude Valley.

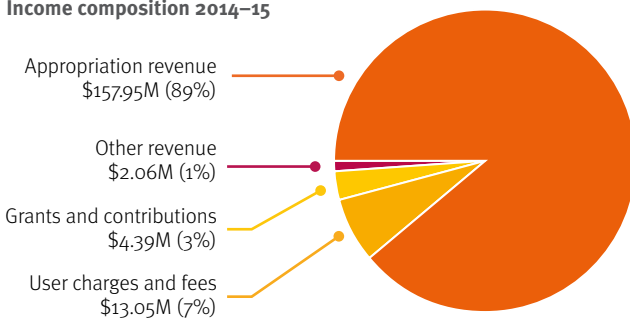
Income

DPC's income predominantly comes from the Queensland Government Consolidated Fund through appropriation revenue. Income also comes from user charges and fees, most notably through the Arts Queensland buildings and the South Bank Cultural Precinct carpark. Additional smaller income streams come from:

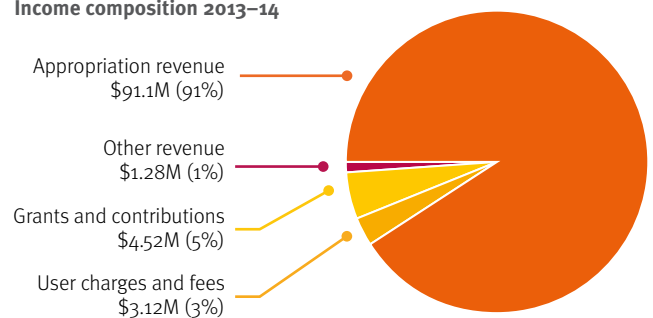
- provision of corporate support services to other Queensland Government entities
- grant and other contributions income
- goods and services received below fair value for storage provided by Queensland State Archives
- employees provided by other agencies working on taskforces free of charge
- property management at the various art hubs.

Figure 1

Income composition 2014–15



Income composition 2013–14



Appropriation income will increase due to funding provided for activities related to reducing domestic and family violence, Commissions of Inquiries and infrastructure upgrades to the Cultural Precinct. These new funding items are partly offset by the completion of G20 activities and less funding provided to Anzac Centenary commemoration activities.

Expenses

Employee expenditure remains the major expense category for the department. Increased consultant and contractor activity in the first half of the year, as well as AQ and CAA related expenditure in the second half of the year (for example, building maintenance expenses, grants and subsidies and depreciation) has resulted in an even spread across other expenditure categories this financial year compared to previous years.

Looking forward to the 2015–16 financial year, income and expenditure is budgeted to increase by approximately 35 per cent to \$239 million (Figure 2). This is predominantly due to the inclusion of a full year of AQ and CAA activity, the related appropriation and user fee income.

Grants and contributions income, as well as other revenue are budgeted to be less primarily due to the uncertainty of these income sources.

It is anticipated that this shift in proportion of expenditure will further increase in 2015–16 upon the full year inclusion of the AQ and CAA (grants and subsidies to 27 per cent and depreciation and amortisation to 13 per cent of total expenditure).

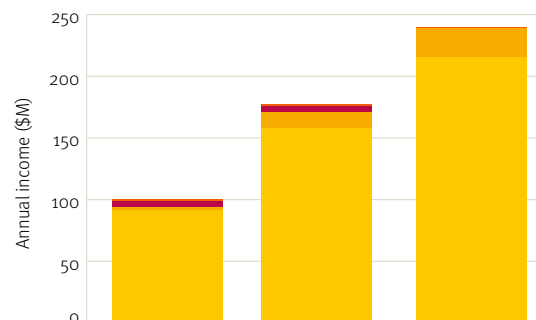
The department's financial position strengthened considerably during the financial year, with substantial increases to the net asset position and an improved current ratio.

Financial position

The department's fixed asset holdings increased during 2014–15 due to Arts Queensland ownership of the land and buildings located at the South Bank Cultural Precinct at South Brisbane, 381 Brunswick Street, Fortitude Valley and Judith Wright Centre of Contemporary Arts at Fortitude Valley.

The heritage listing of the Cultural Precinct resulted in buildings in this

Figure 2

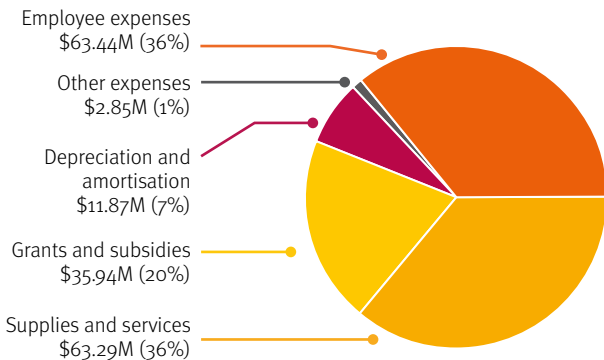


Department income summary	2013-14 Actual	2014-15 Actual	2015-16 Budget*
Other revenue	\$1.28M	\$2.06M	\$0.22M
Grants and contributions	\$4.52M	\$4.39M	\$0.28M
User charges and fees	\$3.12M	\$13.05M	\$23.25M
Appropriation revenue	\$91.10M	\$157.95M	\$215.60M

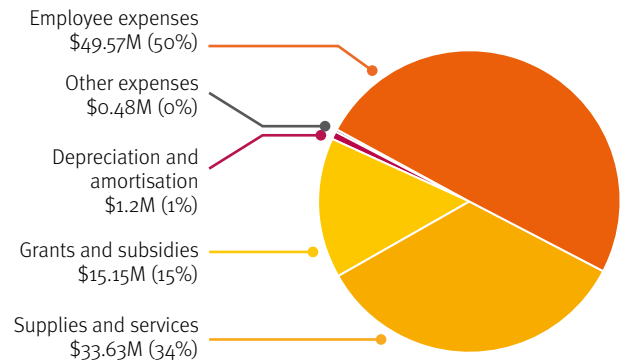
*As per published 2015 Department of the Premier and Cabinet Service Delivery Statement (SDS)

Figure 3

Expense composition 2014–15



Expense composition 2013–14



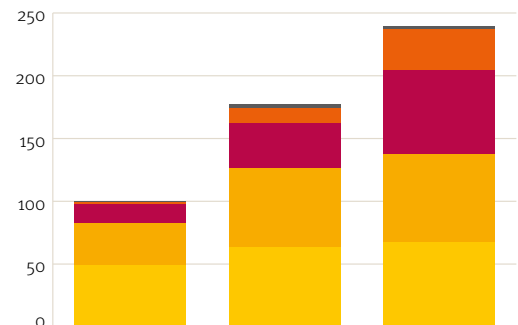
location to decrease in market value. This unfavourable valuation impact was anticipated at the time of the machinery of government change and did not impact on the department's financial position in 2014–15.

As a result of the AQ transfer-in, the department is also the intermediary agency for facilitation of funding provided to Screen Queensland (SQ) for the Revolving Film Finance Fund (RFFF).

The RFFF provides secured loans to cash flow film and television productions and for infrastructure projects that will benefit the Queensland film and television industry. It is administered by SQ on behalf of the Government. All funds are drawn from the Queensland Treasury Corporation (QTC).

Applicants apply for the loan through SQ and once approved, the department recognises a loan receivable and payable with interest (charged at an interest rate equivalent to the QTC government debt pool rate) passed onto SQ. This means all costs incurred by the department in managing the RFFF are passed onto SQ.

Figure 4



Department expense summary	2013–14 Actual	2014–15 Actual	2015–16 Budget
Other expenses	\$0.48M	\$2.85M	\$1.95M
Depreciation and amortisation	\$1.20M	\$11.87M	\$32.95M
Grants and subsidies	\$15.15M	\$35.94M	\$66.55M
Supplies and services	\$33.63M	\$63.29M	\$70.32M
Employee expenses	\$49.57M	\$63.44M	\$67.57M

Figure 5

	2013–14 (\$M)	2014–15 (\$M)	2015–16 (\$M) Budget		2013–14	2014–15	2015–16 Budget
Net asset position	8.18	663.56	714.58	Current assets	13,901	25,741	23,555
				Current liabilities	10,099	15,677	10,533
				Current ratio	1.37	1.64	2.24

Financial statements for the year ended 30 June 2015

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These financial statements cover the Department of the Premier and Cabinet.

The Department of the Premier and Cabinet is a Queensland Government Department established under the *Public Service Act 2008*.

The department is controlled by the State of Queensland which is the ultimate parent.

The head office and principal place of business of the department is:

100 George Street
BRISBANE QLD 4000

A description of the nature of the department's operations and its principal activities is included in the notes to the financial statements.

For information in relation to the department's financial report please call (07) 3003 9218, email premiers.master@premiers.qld.gov.au or visit the departmental Internet site www.premiers.qld.gov.au.

Amounts shown in these financial statements may not add to the correct sub-totals or totals due to rounding.

**Department of the Premier and Cabinet
Statement of Comprehensive Income
for the year ended 30 June 2015**

	Notes	2015 \$'000	2014 \$'000
Income from Continuing Operations			
Appropriation revenue	3	157,950	91,095
User charges and fees	4	13,054	3,116
Grants and other contributions	5	4,387	4,521
Other revenue	6	2,055	1,282
Total Income from Continuing Operations		177,446	100,014
Expenses from Continuing Operations			
Employee expenses	7	63,436	49,570
Supplies and services	9	63,285	33,625
Grants and subsidies	10	35,938	15,147
Depreciation and amortisation	14 & 15	11,869	1,195
Impairment losses	14 & 15	79	1
Other expenses	11	2,771	476
Total Expenses from Continuing Operations		177,378	100,014
Operating Result for the Year		68	-
Other Comprehensive Income		-	-
Total Comprehensive Income		68	-

The accompanying notes form part of these statements.

**Department of the Premier and Cabinet
Statement of Financial Position
as at 30 June 2015**

	Notes	2015 \$'000	2014 \$'000
Current Assets			
Cash and cash equivalents	12	17,760	4,058
Receivables and loans receivable	13	7,933	9,812
Inventories		48	31
Prepayments		1,450	397
Total Current Assets		27,191	14,298
Non-current Assets			
Receivables and loans receivable	13	948	-
Intangible assets	14	3,166	2,425
Property, plant and equipment	15	648,880	1,557
Total Non-current Assets		652,994	3,982
Total Assets		680,185	18,280
Current Liabilities			
Payables	16	10,243	8,369
Interest-bearing liabilities	17	2,404	-
Accrued employee benefits	18	2,389	1,730
Unearned revenue		641	-
Total Current Liabilities		15,677	10,099
Non-current Liabilities			
Interest-bearing liabilities	17	948	-
Total Non-current Liabilities		948	-
Total Liabilities		16,625	10,099
Net Assets		663,560	8,181
Equity			
Contributed equity		659,907	4,596
Accumulated surplus/deficit		3,653	3,585
Total Equity		663,560	8,181

**Department of the Premier and Cabinet
Statement of Changes in Equity
for the year ended 30 June 2015**

	Notes	2015 \$'000	2014 \$'000
Contributed equity			
Balance as at 1 July		4,596	1,776
<i>Transactions with owners as owners:</i>			
Appropriated equity injections	3	194	1,644
Non-Appropriated equity injections		79	-
Appropriated equity withdrawals	3	(14,280)	-
Non-Appropriated equity withdrawals		(30)	-
Net assets transferred via MoG changes (Government Airwing)		-	1,176
Net assets transferred to other Government Entity (Queensland Health Renewal Taskforce)		(570)	-
Net assets transferred via MoG changes (AQ, CAA)	20	669,918	-
Balance as at 30 June		659,907	4,596
Accumulated Surplus			
Balance as at 1 July		3,585	3,585
Operating Result from Continuing Operations		68	-
Balance as at 30 June		3,653	3,585

The accompanying notes form part of these statements.

**Department of the Premier and Cabinet
Statement of Cash Flows
for the year ended 30 June 2015**

	Notes	2015 \$'000	2014 \$'000
Cash flows from operating activities			
<i>Inflows:</i>			
Departmental services receipts		159,595	92,919
User charges		16,333	3,335
Grants and other contributions		7,662	1,424
Interest receipts		26	-
GST input tax credits from ATO		9,963	3,937
GST collected from customers		2,362	270
Advances from other agencies		1,190	-
Other		944	1,300
<i>Outflows:</i>			
Employee expenses		(63,456)	(49,464)
Supplies and services		(65,787)	(33,914)
Grants and subsidies		(37,510)	(13,886)
Finance/borrowing costs		(26)	(188)
Insurance premiums		(31)	(91)
GST paid to suppliers		(10,598)	(3,798)
GST remitted to ATO		(2,103)	(218)
Advances to other agencies		-	(100)
Other		(166)	(366)
Net cash provided by (used in) operating activities	19	18,399	1,160
Cash flows from investing activities			
<i>Inflows:</i>			
Receipts from investments		1,598	-
<i>Outflows:</i>			
Payments for property, plant and equipment	15	(174)	(141)
Payments for intangibles	14	(1,768)	(1,325)
Payments for investments		(2,735)	-
Net cash provided by (used in) investing activities		(3,079)	(1,466)
Cash flows from financing activities			
<i>Inflows:</i>			
Equity injections		273	1,644
Borrowings		2,735	-
<i>Outflows:</i>			
Equity withdrawals		(14,310)	-
Borrowing redemptions		(1,597)	(311)
Net cash provided by (used in) financing activities		(12,899)	1,333
Net increase/(decrease) in cash and cash equivalents		2,421	1,027
Net cash transferred resulting from MoG changes		11,281	(2,189)
Cash and cash equivalents at beginning of financial year		4,058	5,220
Cash and cash equivalents at end of financial year	12	17,760	4,058

The accompanying notes form part of these statements.

Department of the Premier and Cabinet
Statement of Comprehensive Income by Major Departmental Services, CBUs and SSPs
for the year ended 30 June 2015

	Policy Advice, Coordination and Cabinet Support		Government Executive Support		Legislative Drafting and e-Publishing		Public Sector Renewal		General Not Attributed		Arts and Culture		Corporate Administration Agency		Inter-departmental Service Elimination		Total		
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	
Income from Continuing Operations *																			
Appropriation revenue	42,309	32,898	62,049	40,319	13,281	12,032	9,024	4,721	1,125	1,125	30,088	74	-	-	157,950	91,095			
User charges and fees	20	18	2,185	2,151	126	277	3	-	637	670	7,236	3,519	(672)	-	13,054	3,116			
Grants and other contributions	4	-	1,567	994	-	-	2,389	3,527	-	-	481	-	(54)	-	4,387	4,521			
Other revenue	575	505	341	667	83	67	30	43	-	-	980	46	-	-	2,055	1,282			
Total Revenue	42,908	33,421	66,142	44,131	13,490	12,376	11,446	8,291	1,762	1,795	38,785	3,639	(726)	(726)	177,446	100,014			
Gains on disposal/remeasurement of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Income from Continuing Operations	42,908	33,421	66,142	44,131	13,490	12,376	11,446	8,291	1,762	1,795	38,785	3,639	(726)	(726)	177,446	100,014			
Expenses from Continuing Operations																			
Employee expenses	22,538	17,696	19,176	18,448	9,486	8,645	4,521	4,151	883	630	4,441	2,391	-	-	63,436	49,570			
Supplies and services	10,799	6,213	26,337	18,947	3,720	3,313	6,795	4,046	811	1,106	14,375	1,120	(672)	-	63,285	33,625			
Grants and subsidies	8,607	9,010	18,246	6,034	13	71	6	32	-	-	9,066	-	-	-	35,938	15,147			
Depreciation and amortisation	434	394	334	379	236	316	80	47	68	59	10,668	49	-	-	11,869	1,195			
Impairment losses	32	1	29	-	13	-	5	-	-	-	-	-	-	-	79	1			
Other expenses	498	107	2,020	323	22	31	39	15	-	-	122	70	-	-	2,771	476			
Total Expenses from Continuing Operations	42,908	33,421	66,142	44,131	13,490	12,376	11,446	8,291	1,762	1,795	38,672	3,630	(672)	(672)	177,378	100,014			
Operating Result from Continuing Operations	-	-	-	-	-	-	-	-	-	-	113	9	(54)	(54)	68	-			
Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Total Comprehensive Income	-	-	-	-	-	-	-	-	-	-	113	9	(54)	(54)	68	-			
*Allocation of income and expenses from ordinary activities to corporate services (disclosure only):																			
Income	227	145	196	148	90	67	33	43	-	-	-	-	-	-	546	403			
Expenses	7,604	5,297	6,599	6,140	3,073	2,488	1,107	987	1,762	1,795	-	-	-	-	20,145	16,707			

**Department of the Premier and Cabinet
Statement of Assets and Liabilities by Major Departmental Services, CBUs and SSPs
as at 30 June 2015**

	Policy Advice, Coordination and Cabinet Support		Government Executive Support		Legislative Drafting and e-Publishing		Public Sector Renewal		Arts and Culture		Corporate Administration Agency		Inter- departmental Service Elimination		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current Assets																
Cash and cash equivalents	4,362	2,383	3,785	3,018	1,763	778	-	(2,121)	4,292	3,558	-	17,760	4,058			
Receivables and loans receivable	1,027	551	1,118	5,341	304	433	-	3,487	4,641	960	(117)	7,933	9,812			
Inventories	-	-	40	31	-	-	-	-	8	-	-	48	31			
Prepayments	134	126	157	174	175	59	-	38	-	984	-	1,450	397			
Total Current Assets	5,523	3,060	5,100	8,564	2,242	1,270	-	1,404	8,941	5,502	(117)	27,191	14,298			
Non-current Assets																
Receivables and loans receivable	-	-	-	-	-	-	-	-	948	-	-	948	-			
Intangible assets	574	568	384	442	2,153	1,146	-	269	-	55	-	3,166	2,425			
Property, plant and equipment	152	298	585	942	126	235	-	82	647,722	295	-	648,880	1,557			
Total Non-current Assets	726	866	969	1,384	2,279	1,381	-	351	648,670	350	-	652,994	3,982			
Total Assets	6,249	3,926	6,069	9,948	4,521	2,651	-	1,755	657,611	5,852	(117)	680,185	18,280			
Current Liabilities																
Payables	646	1,402	5,843	5,079	889	503	-	1,385	2,525	457	(117)	10,243	8,369			
Interest-bearing liabilities	-	-	-	-	-	-	-	-	2,404	-	-	2,404	-			
Accrued employee benefits	732	603	727	695	332	287	-	145	375	223	-	2,389	1,730			
Unearned revenue	-	-	-	-	-	-	-	-	45	596	-	641	-			
Total Current Liabilities	1,378	2,005	6,570	5,774	1,221	790	-	1,530	5,349	1,276	(117)	15,677	10,099			
Non-current Liabilities																
Interest-bearing liabilities	-	-	-	-	-	-	-	-	948	-	-	948	-			
Total Non-current Liabilities	-	-	-	-	-	-	-	-	948	-	-	948	-			
Total Liabilities	1,378	2,005	6,570	5,774	1,221	790	-	1,530	6,297	1,276	(117)	16,625	10,099			

Please note the department has systems in place to allocate assets and liabilities by departmental service.

**Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15**

Objectives and Principal Activities of the Department

- Note 1: Summary of Significant Accounting Policies
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**Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15**

Objectives and Principal Activities of the Department

The Department of the Premier and Cabinet's vision is that "we make a real and tangible difference today, and our contributions will be recognised by future generations". The department is committed to supporting the delivery of the government's community objectives through providing robust, objective policy advice, coordinating Cabinet support and managing the business of government.

Key Objectives for the department include:

- Support the development and coordination of policy advice for the Premier, Cabinet and the Government.
- Draft and provide access to Queensland legislation of the highest standard.
- Support Queenslanders' access to arts and cultural experiences to enable growth of the arts sector and a strong community of arts.
- Provide high level constitutional, government and corporate support services for the Premier, Cabinet and the Government.

1. Summary of Significant Accounting Policies

(a) Statement of Compliance

The Department of the Premier and Cabinet has prepared these financial statements in compliance with section 42 of the *Financial and Performance Management Standard 2009*.

These financial statements are general purpose financial statements, and have been prepared on an accrual basis in accordance with Australian Accounting Standards and Interpretations. In addition, the financial statements comply with Queensland Treasury's Minimum Reporting Requirements for the year ending 30 June 2015 and other authoritative pronouncements.

With respect to compliance with Australian Accounting Standards and Interpretations, the Department of the Premier and Cabinet has applied those requirements applicable to not-for-profit entities, as the Department of the Premier and Cabinet is a not-for-profit department. Except where stated, the historical cost convention is used.

(b) The Reporting Entity

In accordance with the machinery-of-Government changes that were specified in the Public Service Departmental Arrangements Notice (No. 1) 2015, dated 16 February 2015 with financial effect from 1 March 2015, the responsibility for Arts Queensland (AQ) and the shared service provider Corporate Administration Agency (CAA) were transferred from the former Department of Science, Information Technology and Innovation and the Arts (DSITIA) to the Department of the Premier and Cabinet (DPC). Refer to note 20.

As a result of this change, net assets attributed to AQ and CAA, to the value of \$669.918 million, primarily associated with land and buildings located in the Southbank Cultural Precinct, were transferred in from DSITIA. The increase in assets has been accounted for as an increase in contributed equity as disclosed in the Statement of Changes in Equity.

The consolidated financial statements include the value of all assets, liabilities, equity, revenues and expenses of the department, AQ and CAA.

In order to provide enhanced disclosure, the department has adopted the principles outlined in Australian Accounting Standard AASB 10 *Consolidated Financial Statements*. This approach is considered appropriate as it reflects the relationship between the department's core business and that of its controlled entities. In the process of reporting the department as a single economic entity, the financial results of AQ and CAA for the four months period from 1 March to 30 June 2015 were consolidated and all transactions internal to the economic entity where material have been eliminated. Refer note 22.

Accounting policies of AQ and CAA have been changed where necessary to ensure consistency with those policies applied by the department.

**Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15**

(b) The Reporting Entity (cont'd)

Immaterial controlled entities not consolidated or recognised under equity accounting are as follows:

- Screen Queensland (SQ);
- Aboriginal Centre for the Performing Arts Pty Ltd (ACPA);
- Queensland Music Festival Pty Ltd (QMF); and
- Major Brisbane Festivals Pty Ltd (MBF).

Each entity is a reporting entity in its own right and the audited financial statements are included in their respective annual reports. Full details of these controlled entities are disclosed in note 22.

The major departmental services undertaken by the department are disclosed in note 2.

(c) Administered Transactions and Balances

The department administers, but does not control, certain resources on behalf of the Government. In doing so, it has responsibility and is accountable for administering related transactions and items, but does not have the discretion to deploy the resources for the achievement of the department's objectives.

Administered transactions and balances are disclosed in note 24. These transactions and balances are not significant in comparison to the department's overall financial performance/financial position.

(d) Trust Transactions and Balances

The department undertakes certain trustee transactions on behalf of the Premier's Disaster Relief Appeal.

As the department performs only a custodial role in respect of the transactions and balances, they are not recognised in the financial statements. There have been no incoming donations or outgoing payments in relation to the trust during the year ended 30 June 2015.

(e) Appropriation Revenue for Services/Administered Revenue

Appropriations provided under the *Appropriation Act 2014* are recognised as revenue when received. Where an appropriation receivable or payable has been recorded in the financial statements as at 30 June 2015, this has been approved by Queensland Treasury. As per AASB 1004 *Contributions and Accounting Policy Guideline 2 Contributions Received by Not-For-Profit Agencies*, appropriation receivable (if applicable) has been recognised against revenue and conversely, appropriation payable (if applicable) has been recognised against an expense.

Amounts appropriated to the department for transfer to other entities in accordance with legislative or other requirements are reported as 'administered' item appropriations.

(f) User Charges and Fees

User charges and fees controlled by the department are recognised as revenues when the revenue has been earned and can be measured reliably with a sufficient degree of certainty. This involves either invoicing for related goods/services and/or the recognition of accrued revenue. User charges and fees are controlled by the department where they can be deployed for the achievement of departmental objectives.

(g) Grants and Other Contributions - Revenue

Grants, contributions, donations and gifts that are non-reciprocal in nature are recognised as revenue in the year in which the department obtains control over them. Where grants are received that are reciprocal in nature, revenue is recognised as various performance obligations under the funding agreement are fulfilled.

(h) Grants and Subsidies - Expense

Grants and subsidies are classified according to the following:

A non-reciprocal grant is a payment or contribution made to an organisation or person which is not to be repaid or reciprocated, but which must be spent by the recipient for a specific purpose. Accordingly, non-reciprocal grant payments are expensed when the payment is made.

Where the grant payment is reciprocal in nature, an asset (prepayment) is recognised when the payment is made. This prepayment is expensed as the grant recipient satisfies the performance obligations under the funding agreement.

A subsidy payment is a payment or contribution made to an organisation or person which is not repaid or reciprocated. Gifts and donations made are included in subsidy payments.

**Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15**

(i) Cash and Cash Equivalents

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques received but not banked at 30 June 2015 as well as deposits at call with financial institutions.

(j) Receivables and Loans Receivable

Receivables

Trade debtors are recognised at amounts due at the time of sale or service delivery (i.e. the agreed purchase/contract price). Settlement of these amounts is required within 30 days from the invoice date.

The collectability of receivables is assessed with provision being made for impairment. All known bad debts were written-off as at 30 June 2015.

Other receivables generally arise from transactions outside the usual operating activities of the department and are recognised at their assessed values. No interest is charged and no security is obtained.

Loans Receivable

The Revolving Film Finance Fund (RFFF) provides secured loans to cash flow film and television productions and for infrastructure projects that will benefit the film and television industry. It is administered by SQ on behalf of the Government. All funds are drawn from the Queensland Treasury Corporation (QTC).

Applicants apply for the loan through SQ and once approved, AQ recognised a loan receivable (note 13) and payable (note 17) with interest (charged at an interest rate equivalent to the QTC government debt pool rate) passed onto SQ. This means that all costs incurred by AQ in managing the RFFF are passed onto SQ.

(k) Inventories

Inventories held for sale are valued at the lower of cost and net realisable value. The cost is assigned on a first-in-first-out basis and includes expenditure incurred in acquiring the inventories and bringing them to their existing condition, except for training costs which are expensed as incurred.

Net realisable value is determined on the basis of the department's normal selling pattern. Expenses associated with marketing, selling and distribution are deducted to determine net realisable value.

Inventories held relating to supplies and consumables are held at cost. Cost is assigned on a weighted average basis and includes expenditure incurred in acquiring the inventories and bringing them to their existing condition, except for training costs which are expensed as incurred.

(l) Acquisitions of Assets

Actual cost is used for the initial recording of all non-current physical and intangible asset acquisitions. Cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use, including architects' fees and engineering design fees. However, any training costs are expensed as incurred.

Where assets are received free of charge from another Queensland Government entity (whether as a result of a machinery of government or other involuntary transfer), the acquisition cost is recognised as the gross carrying amount in the books of the transferor immediately prior to the transfer together with any accumulated depreciation/amortisation.

Assets acquired at no cost or for nominal consideration, other than from an involuntary transfer from another Queensland Government entity, are recognised at their fair value at date of acquisition in accordance with AASB 116 *Property, Plant and Equipment*.

(m) Property, Plant and Equipment

Items of property, plant and equipment with a cost or other value equal to or in excess of the following thresholds are recognised for financial reporting purposes in the year of acquisition:

Land	\$1
Heritage and cultural assets	\$5,000
Plant and Equipment	\$5,000
Buildings	\$10,000
Leasehold Improvements	\$10,000

Items with a lesser value are expensed in the year of acquisition.

**Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15**

(n) Revaluations of Non-Current Physical and Intangible Assets

Land, buildings and heritage and cultural assets are measured at fair value in accordance with AASB 116 *Property, Plant and Equipment*, AASB 13 *Fair Value Measurement* and Queensland Treasury's *Non-Current Asset Policies for the Queensland Public Sector*. These assets are reported at their revalued amounts, being the fair value at the date of valuation, less any subsequent accumulated depreciation and impairment losses where applicable.

In respect of these asset classes, the cost of items acquired during the financial year has been judged by management of the Department of the Premier and Cabinet to materially represent their fair value at the end of the reporting period. Plant and equipment is measured at cost in accordance with *Queensland Treasury's Non-Current Asset Policies for the Queensland Public Sector*. The carrying amounts for such plant and equipment at cost should not materially differ from their fair value.

Intangible assets are measured at cost, unless there is an active market for the assets concerned (in which case they are measured at fair value).

Property, plant and equipment classes measured at fair value are comprehensively revalued at least once every five years with interim valuations, using appropriate indices, being otherwise performed on an annual basis where there has been a material variation in the index.

Any revaluation increment arising on the revaluation of an asset is credited to the asset revaluation surplus of the appropriate class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation surplus relating to that asset class.

On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any change in the estimate of remaining useful life.

Materiality concepts (*according to the Framework for the Preparation and Presentation of Financial Statements*) are considered in determining whether the difference between the carrying amount and the fair value of an asset is material.

Separately identified components of assets are measured on the same basis as the assets to which they relate.

(o) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by the department include, but not limited to, published sales data for land and general office buildings.

Unobservable inputs are data, assumptions and judgments that are not available publicly, but are relevant to the characteristics of the asset/liabilities being valued. Significant unobservable inputs used by the department include, but are not limited to, subjective adjustments made to observable data to take account of the characteristics of the department assets/liabilities, internal records of recent construction costs (and/or estimates of such costs) for assets' characteristics/functionality, residual value and assessments of physical condition and remaining useful life. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset at its highest and best use.

All assets and liabilities of the department for which fair value is measured or disclosed in the financial statements are categories within the following fair value hierarchy, based on the data and assumptions used in the most recent specific appraisals:

Level 1 – represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities;

Level 2 – represent fair value measurements that are substantially derived from inputs (other than quoted prices) included within level 1 that are observable, either directly or indirectly; and

Level 3 – represents fair value measurements that are substantially derived from unobservable inputs.

**Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15**

(o) Fair value measurement (cont'd)

None of the department's valuations of assets and liabilities are eligible for categorisation into level 1 of fair value hierarchy.

More specific fair value information about the department's property, plant and equipment is outlined in note 15.

(p) Intangibles

Intangible assets with a cost or other value of \$100,000 or greater are recognised in the financial statements. Items with a lesser value are expensed. Each intangible asset, less any anticipated residual value, is amortised over its estimated useful life to the department. The residual value is zero for all the department's intangible assets.

It has been determined that there is no active market for any of the department's intangible assets. As such, the assets are recognised and carried at cost less accumulated amortisation and accumulated impairment losses.

No intangible assets have been classified as held for sale or form part of a disposal group held for sale.

Expenditure on research activities relating to internally generated intangible assets is recognised as an expense in the period in which it is incurred.

Costs associated with the development of computer software have been capitalised and are amortised on a straight-line basis over the period of expected benefit to the department, namely three to twenty years.

(q) Amortisation and Depreciation of Intangibles and Property, Plant and Equipment

Land is not depreciated as it has unlimited useful life.

All intangible assets of the department have finite useful lives and are amortised on a straight-line basis.

All property, plant and equipment is depreciated on a straight-line basis so as to allocate the net cost or revalued amount of each asset, less its estimated residual value, progressively over its estimated useful life to the department. Management believes this depreciation method best represents the pattern of consumption for these assets.

All heritage and cultural assets of the department are not depreciated as the service potential of the assets are not expected to diminish over time.

Assets under construction (work in progress) are not depreciated until they reach service delivery capacity. Service delivery capacity relates to when construction is complete and the asset is first put to use or is installed ready for use in accordance with its intended application. These assets are then reclassified to the relevant classes within property, plant and equipment.

Where assets have separately identifiable components that are subject to regular replacement, these components are assigned useful lives distinct from the asset to which they relate and are depreciated accordingly.

Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to the department.

For each class of depreciable asset the following depreciation and amortisation rates are used in 2014-15:

	Depreciation Rate
Building	1.5-10%
Plant and equipment:	
Computer hardware	10-33%
Office equipment	10-33%
Other equipment/furniture	10-20%
Office fitout	10-33%
	Amortisation Rate
Intangibles:	
Software internally generated	20-33%

Fitout classified as plant and equipment will be fully depreciated by 1 July 2016 as the department will be moving to 1 William Street in July 2016. As a result of this, the depreciation rate increased to 33%.

**Department of the Premier and Cabinet
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(r) Impairment of Non-current Assets

All non-current physical and intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the department determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

The asset's recoverable amount is determined as the higher of the asset's fair value less costs to sell and depreciated replacement cost.

An impairment loss is recognised immediately in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus of the relevant class to the extent available.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

When an asset is revalued using either a market or income valuation approach, any accumulated impairment losses at that date are eliminated against the gross amount of the asset prior to restating for the revaluation.

(s) Payables

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at an agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

(t) Financial Instruments

Recognition

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the department becomes a party to the contractual provisions of the financial instrument.

Classification

Financial instruments are classified and measured as follows:

- Cash and cash equivalents – held at fair value through profit or loss (note 12);
- Receivables and loans receivable – held at amortised cost (note 13);
- Payables – held at amortised cost (note 16); and
- Borrowings – held at amortised cost (note 1(j) and note 17).

Borrowings are initially recognised at fair value, plus any transaction costs directly attributable to the borrowings, then subsequently held at amortised cost using the effective interest rate. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of a financial instrument (or, when appropriate, a shorter period) to the net carrying amount of that instrument.

Any borrowing costs are added to the carrying amount of the borrowings to the extent they are not settled in the period in which they arise. Borrowings are classified as non-current liabilities to the extent that the entity has an unconditional right to defer settlement until at least 12 months after reporting date.

The department does not enter into transactions for speculative purposes, nor for hedging. Apart from cash and cash equivalents, the department holds no financial assets classified at fair value through profit or loss.

All other disclosures relating to the measurement and financial risk management of financial instruments held by the department are included in note 23.

(u) Financing/Borrowing Costs

Finance costs are recognised as an expense in the period in which they are incurred.

Finance costs include:

- interest on bank overdrafts and short-term and long-term borrowings;
- finance lease charges;
- amortisation of discounts or premiums relating to borrowings; and
- ancillary administration charges.

**Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15**

(v) Employee Benefits

Employer superannuation contributions, annual leave levies and long service leave levies are regarded as employee benefits.

Workers' compensation insurance are a consequence of employing employees, but are not counted in an employee's total remuneration package. They are not employee benefits and are recognised separately as employee related expenses.

Wages, Salaries and Sick Leave

Wages and salaries due but unpaid at reporting date are recognised in the Statement of Financial Position at the current salary rates.

As the department expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts.

Prior history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised.

As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

Annual Leave and Long Service Leave

Under the Queensland Government's Long Service Leave and Annual Leave Central Scheme (ALCS), a levy is made on the department to cover the cost of employees' annual leave (including leave loading and on-costs) and long service leave. The levies are expensed in the period in which they are payable. Amounts paid to employees for annual leave and long service leave are claimed from the scheme quarterly in arrears.

No provision for annual leave and long service leave have been recognised in the department's financial statements as the liability is held on a whole-of-government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Superannuation

Employer superannuation contributions are paid to QSuper, the superannuation plan for Queensland Government employees, at rates determined by the Treasurer on advice from the State Actuary. Contributions are expensed in the period in which they are paid or payable. The department's obligation is limited to its contribution to QSuper.

The QSuper scheme has defined benefit and defined contribution categories. The liability for defined benefits is held on a whole-of-government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Key Management Personnel and Remuneration

Key management personnel and remuneration disclosures are made in accordance with section 5 of the Financial Reporting Requirements for Queensland Government Agencies issued by Queensland Treasury. Refer to note 8 for the disclosures on key management personnel and remuneration.

(w) Insurance

The department's non-current physical assets and other risks are insured with the Queensland Government Insurance Fund (QGIF), premiums being paid on a risk assessment basis including public liability. In addition, the department pays premiums to WorkCover Queensland in respect of obligations for employee compensation. This is recognised as an employee related expense. Refer to note 7.

Under the QGIF, the department would be able to claim back, less a \$10,000 deductible, the amount paid to successful litigants. This includes any cases that existed as at 1 July 2001 and cases that have arisen since that date.

Motor vehicles are leased from QFleet and insurance is provided by the leasing arrangements.

**Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15**

(x) Allocation of Revenue and Expenses from Ordinary Activities to Corporate Services

The department discloses revenue and expenditure attributable to corporate services in the Statement of Comprehensive Income by Major Departmental Services, CBUs and SSPs.

The revenue and expenditure of the department's corporate services are allocated to the department's services on the basis of employee full-time equivalent numbers. In addition to this, during the 2014-15 financial year the department provided corporate support to the Public Service Commission, Office of the Governor and Ministerial Offices, Assistant Ministers and the Office of the Leader of the Opposition and recovered costs accordingly.

(y) Contributed Equity

Non-reciprocal transfer of assets and liabilities between wholly-owned Queensland State Public Sector entities as a result of machinery of government changes are adjusted to Contributed Equity in accordance with Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities*. Appropriations for equity adjustments are similarly designated. Where the balance of contributed equity is insufficient to absorb the adjustment, the remainder of the adjustment is made to accumulated surplus.

(z) Taxation

The department is a State body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). FBT and GST are the only taxes accounted for by the department. Any GST credits receivable from, or GST payable to the ATO, are recognised in note 13.

From 1 July 2014 Queensland government departments (excluding commercialised business units) will no longer be liable for Queensland payroll tax. Therefore from this date the department (excluding departments controlled and other entities) will be exempt from Queensland payroll tax. Refer to note 7.

(aa) Issuance of Financial Statements

The financial statements are authorised for issue by the Director-General and the Chief Finance Officer at the date of signing the Management Certificate.

(ab) Accounting Estimates and Judgement

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions and management judgements that have the potential to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Such estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

Estimates and assumptions with the most significant effect on the financial statements are outlined in the following notes:

Receivables and Loans Receivable – note 1(j) and note 13
Valuation of Property, Plant and Equipment – note 1(n) and (o) and note 15
Depreciation and Amortisation – note 1(q), note 14 and note 15
Impairment – note 14 and note 15
Financial Instruments – note 23
Contingencies – note 26

Further, the matters covered in each of those notes (except for Depreciation and Amortisation) necessarily involve estimation uncertainty with the potential to materially impact on the carrying amount of the department's assets and liabilities in the next reporting period. Reference should be made to the respective notes for more information.

(ac) Rounding and Comparatives

Amounts included in the financial statements are in Australian dollars and have been rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required.

Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period.

**Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15**

(ad) New and Revised Accounting Standards

The department did not voluntarily change any of its accounting policies during 2014-15. The Australian Accounting Standard applicable for the first time as from 2014-15 that had the most significant impact on the department's financial statements is AASB 1055 *Budgetary Reporting*.

AASB 1055 became effective from reporting periods beginning on or after 1 July 2014. In response to this new standard, the department has included in these financial statements a comprehensive new note 'Budget vs Actual Comparison' (note 28). This note discloses the department's adjusted published budgeted figures for 2014-15 compared to actual results, with explanations of major variances, in respect of the department's Statement of Comprehensive Income, Statement of Financial Position and Statement of Cash Flows. Explanations have been provided, at a minimum, for variances that are larger than 5% of the budgeted figure for employee expenses, other supplies and services, payments for property, plant and equipment and for all other material line items, variances larger than 10% of the budgeted figure. Note 28 also includes a comparison between the adjusted published budgeted figures for 2014-15 compared to actual results, and explanations of major variances, in respect of the department's major classes of administered income, expenses, assets and liabilities.

From reporting periods beginning on or after 1 July 2016, the department will need to comply with the requirements of AASB 124 *Related Party Disclosures*. That accounting standard requires a range of disclosures about the remuneration of key management personnel, transactions with related parties/entities, and relationships between parent and controlled entities. The department already discloses information about the remuneration expenses for key management personnel (refer to note 8) in compliance with requirements from Queensland Treasury. Therefore, the most significant implications of AASB 124 for the department's financial statements will be the disclosures to be made about transactions with related parties, including transactions with key management personnel or close members of their families.

AASB 15 *Revenue from Contracts with Customers* will become effective from reporting periods beginning on or after 1 January 2017. This standard contains much more detailed requirements for the accounting for certain types of revenue from customers. Depending on the specific contractual terms, the new requirements may potentially result in a change to the timing of revenue from sales of the department's goods and services, such that some revenue may need to be deferred to a later reporting period to the extent that the department has received cash but has not met its associated obligations (such amounts would be reported as a liability (unearned revenue) in the meantime). The department is yet to complete its analysis of current arrangements for sale of its goods and services, but at this stage does not expect a significant impact on its present accounting practices.

AASB 9 *Financial Instruments* and AASB 2014-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)* will become effective from reporting periods beginning on or after 1 January 2018. The main impacts of these standards on the department are that they will change the requirements for the classification, measurement and disclosures associated with the department's financial assets. Under the new requirements, financial assets will be more simply classified according to whether they are measured at amortised cost or fair value. Pursuant to AASB 9, financial assets can only be measured at amortised cost if two conditions are met. One of these conditions is that the asset must be held within a business model whose objective is to hold assets in order to collect contractual cash flows. The other condition is that the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The department has commenced reviewing the measurement of its financial assets against the new AASB 9 classification and measurement requirements. However, as the classification of financial assets at the date of initial application of AASB 9 will depend on the facts and circumstances existing at that date, the department's conclusions will not be confirmed until closer to that time. At this stage, and assuming no change in the types of transactions the department enters into, it is not expected that any of the department's financial assets will meet the criteria in AASB 9 to be measured at amortised cost. Therefore, as from the 2018-19 financial statements, all of the department's financial assets are expected to be measured at fair value, and classified accordingly (instead of the measurement classifications presently used in notes 1(t) and 23).

The same classification will be used for net gains/losses recognised in the Statement of Comprehensive Income in respect of those financial assets. In the case of the department's current receivables, as they are short-term in nature, the carrying amount is expected to be a reasonable approximation of fair value.

All other Australian accounting standards and interpretations with future commencement dates are either not applicable to the department's activities, or have no material impact on the department.

**Department of the Premier and Cabinet
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2. Major Service Areas of the Department

Our services are:

Policy Advice, Coordination and Cabinet Support Service

Policy Advice, Coordination and Cabinet Support facilitates the development of evidence-based policy advice and coordination for the Premier and Cabinet, as well as Cabinet-related activities to drive change across government. The service area provides detailed briefings to the Premier on policy, from design and development through to coordination and implementation. It coordinates a broad range of whole-of-government activities and provides advice on the operation of Cabinet and its related processes, including administration of all Cabinet information, custodianship of the Cabinet record from current and previous governments and direct logistical support for Cabinet and Community Cabinet meetings.

Government Executive Support Service

Government Services provides policy and operational advice and support to the Premier in relation to executive government and machinery of government matters, support to the administration of business before Executive Council, and provides support services to Ministerial Offices and the Leader of the Opposition. In addition, it leads whole-of-government sponsorships and communication activities and manages and coordinates events including the ANZAC Centenary commemoration program, State occasions, official visits and functions.

Corporate Services, delivers high quality corporate support to customers and stakeholders using contemporary systems and processes, as well as increasing employee engagement and capability by investing in organisational culture and developing a talented and diverse workforce.

Legislative Drafting and ePublishing Service.

Legislative Drafting and e-Publishing (LDeP) through the Office of the Queensland Parliamentary Counsel (OQPC) provides drafting and e-Publishing services for Queensland legislation. This service supports the Queensland Government and democracy by drafting and e-publishing legislation of the highest quality for Queensland. The service enables the Government to implement its legislative reform agenda. LDeP makes a special contribution by advising on the application of fundamental legislative principles to ensure that legislation has sufficient regard to the rights and liberties of individuals and the institution of Parliament.

Arts Queensland

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

Corporate Administration Agency

The CAA provides corporate services to Queensland public sector entities that are principally small to medium statutory bodies. CAA also provides ad hoc services to other government entities as requested. The CAA charges customers on a full cost recovery basis with fees to the customers being based upon their relative usage of the resources used by the CAA to deliver the service.

Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15

	2015 \$'000	2014 \$'000
3. Reconciliation of Payments from Consolidated Fund to Appropriation Revenue for Services Recognised in Statement of Comprehensive Income		
Budgeted appropriation revenue for services	122,763	84,798
Transfer from/(to) other departments - redistribution of public business	36,789	2,647
Transfer from/(to) other headings	-	3,018
Unforeseen expenditure	43	2,456
Total appropriation revenue for services receipts	159,595	92,919
Less: Opening balance of departmental services appropriation receivable	(1,645)	(3,469)
Plus: Closing balance of departmental services appropriation receivable	(2,455)	1,645
Appropriation revenue for services recognised in Statement of Comprehensive Income	155,495	91,095
Plus: Deferred appropriation refundable to Consolidated Fund (expenses)	2,455	-
Appropriation Revenue recognised in the Statement of Comprehensive Income	157,950	91,095
Reconciliation of Payments from Consolidated Fund to Equity Adjustment Recognised in Contributed Equity		
Transfer (from)/to other headings	(21,614)	1,644
Unforeseen expenditure	7,478	-
Equity adjustment recognised in Contributed Equity	(14,136)	1,644
Plus: Closing balance of appropriation equity receivable	50	-
Appropriated equity adjustment recognised in Contributed Equity	(14,086)	1,644
4. User Charges and Fees		
Corporate services partnership agreements	4,967	2,398
Sales of goods/services	316	605
Facility services revenue	4,149	-
Car park revenue	2,683	-
Other	939	113
Total	13,054	3,116

**Department of the Premier and Cabinet
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	2015 \$'000	2014 \$'000
5. Grants and Other Contributions		
Contributions from Queensland Government departments	2,876	3,550
Commonwealth contributions	322	-
Events sponsorship	1,189	971
Total	4,387	4,521
6. Other Revenue		
Resources received below fair value	983	1,248
Insurance Claims Recoveries	803	-
Other	269	34
Total	2,055	1,282
7. Employee Expenses		
Employee Benefits		
Wages and salaries	48,233	36,859
Employer superannuation contributions *	6,037	4,668
Long service leave levy *	1,075	758
Annual leave levy *	4,667	3,600
Fringe Benefits Tax	424	382
Employee Related Expenses		
Salary related taxes *	-	2,110
Professional development and study assistance	872	387
Workers' compensation premium *	129	94
Termination benefits	1,106	480
Other	893	232
Total	63,436	49,570

* Refer to note 1(v).

The number of employees as at 30 June including both full-time and part-time employees measured on a full-time equivalent basis (reflecting Minimum Obligatory Human Resources Information (MOHRI)) is:

Number of Employees:	624	432
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In addition to the number of employees reported above, the department employed 3 full-time equivalent staff engaged in the provision of corporate services to other agencies in 2014-15.

**Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15**

8. Key Management Personnel and Remuneration Expenses

(a) Key Management Personnel

The following details for key management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of the department during 2014-15. Further information on these positions can be found in the body of the Annual Report under the section DPC Governance.

Position	Responsibilities	Current Incumbents	
		Contract classification and appointment authority	Date appointed to position (Date resigned from position)
Director-General *	The Director-General leads the efficient, effective and economic administration of the Department of the Premier and Cabinet.	CEO1, <i>Public Service Act 2008</i>	Appointed 26 March 2012 Ceased 15 March 2015
Director-General	The Director-General leads the efficient, effective and economic administration of the Department of the Premier and Cabinet.	CEO1, <i>Public Service Act 2008</i>	Acting Director-General and commenced membership of the Corporate Governance Group effective 6 March 2015 Appointed 16 May 2015
Chief Operating Officer and Deputy Director-General Public Sector Renewal	The Chief Operating Officer and Deputy Director-General Public Sector Renewal delivers strong leadership for large scale reform across the public sector and leads the delivery of corporate and government services by the Department of the Premier and Cabinet.	s122 (CEO4), <i>Public Service Act 2008</i>	Appointed 16 September 2013 Ceased membership of Corporate Governance Group effective 10 March 2015
Chief Operating Officer	The Chief Operating Officer leads the delivery of corporate and government services by the Department of the Premier and Cabinet.	s122 (CEO4), <i>Public Service Act 2008</i>	Commenced membership of the Corporate Governance Group effective 11 March 2015 Appointed 16 May 2015
Deputy Director-General Policy	The Deputy Director-General Policy leads, directs and coordinates policy at a strategic level and supplies executive management support to the Director-General in developing and coordinating strategic policy advice across government.	s122 (CEO4), <i>Public Service Act 2008</i>	Appointed 16 September 2013 Ceased membership of Corporate Governance Group effective 20 March 2015
Deputy Director-General Strategic Policy and Intergovernmental Relations **	The Deputy Director-General, Strategic Policy and Intergovernmental Relations, leads, directs and coordinates policy at a strategic level, supplies executive management support to the Director-General in developing and coordinating strategic policy across government and is responsible for supporting intergovernmental relations between the Commonwealth and the State.	s122 (SES4), <i>Public Service Act 2008 (19/3-7/12/14)</i> s122 (CEO4), <i>Public Service Act 2008 (8/12/14-30/6/15)</i>	Seconded from DSDIP 19 March 2014 Appointed 8 December 2014

* The former Director-General commenced special leave 15 February - 15 March 2015. Two senior public service officers acted for consecutive periods of less than two weeks each between 15 February - 5 March 2015.

** This position had previously been titled Deputy Director-General Priority projects and then Deputy Director-General Special projects.

Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15

8. Key Management Personnel and Remuneration Expenses (cont'd)

(a) Key Management Personnel (cont'd)

Position	Responsibilities	Current Incumbents	
		Contract classification and appointment authority	Date appointed to position (Date resigned from position)
General Manager Corporate Services	The General Manager Corporate Services is responsible for delivering contemporary, fit for purpose, high quality, value for money corporate services to customers of the Department of the Premier and Cabinet.	s122 (SES3H), <i>Public Service Act 2008</i>	Appointed 5 May 2014
General Manager Government Services	The General Manager Government Services leads and is responsible for delivering high quality advice, services and policy options to the Premier and the Department in relation to constitutional matters, national and international protocols, events management, corporate communications and ministerial services.	s112 (SES3H), <i>Public Service Act 2008</i>	Commenced higher duties as General Manager Government Services 13 January 2014 Appointed 14 July 2014
General Manager Public Sector Renewal	The General Manager Public Sector Renewal provides strategic leadership and direction to enhance stakeholder relationships across government and is responsible for driving renewal initiatives to final implementation.	s122 (SES3), <i>Public Service Act 2008</i>	Appointed 10 March 2014 Ceased membership of Corporate Governance Group effective 16 March 2015
Senior Executive Director Social Policy	The Senior Executive Director Social Policy provides strategic leadership, direction, and co-ordination on social policy issues and provides executive management support to the Director-General in developing and coordinating strategic social policy across government.	s122 (SES4), <i>Public Service Act 2008</i>	Appointed 3 February 2014
Senior Executive Director Economic Policy	The Senior Executive Director Economic Policy provides strategic leadership, direction, and co-ordination on economic policy issues and provides executive management support to the Director-General in developing and coordinating strategic economic policy across government.	s122 (SES4), <i>Public Service Act 2008</i>	Appointed 3 February 2014
Senior Executive Director Office of the Director-General	The Senior Executive Director manages the office of the Director-General.	s122 (SES3/1), <i>Public Service Act 2008</i>	Appointed 7 October 2014 Commenced membership of Corporate Governance Group effective 27 November 2014
Queensland Parliamentary Counsel	The Queensland Parliamentary Counsel leads the efficient, effective and economic administration of the Office of the Queensland Parliamentary Counsel.	CEO5, <i>Legislative Standards Act 1992</i>	Appointed 25 February 2010
Deputy Director-General Arts Queensland	The Deputy Director-General is responsible for the efficient, effective and economic administration of Arts Queensland.	SES 4, <i>Public Service Act 2008</i>	Appointed 12 August 2013

**Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15**

8. Key Management Personnel and Remuneration Expenses (cont'd)

(b) Remuneration Expenses

Remuneration policy for the department's key management personnel is set by the Queensland Public Service Commission as provided for under the *Public Service Act 2008*. The remuneration and other terms of employment (including motor vehicle entitlements) for the key management personnel are specified in employment contracts. The contract of the separated Director-General under the previous Government provided for an At Risk Component payment. The new Director-General's contract does not include this provision.

For the 2014-15 year, remuneration of key management personnel increased by 2.2% (effective from 1 July 2014) in accordance with government policy.

The following disclosures focus on the expenses incurred by the department during the respective reporting periods that is attributable to key management positions. Therefore, the amounts disclosed reflect expenses recognised in the Statement of Comprehensive Income.

Remuneration expenses for key management personnel comprises the following components:

- Short-term employee expenses which include:
 - Salaries, allowances and leave entitlements earned and expensed for the entire year or for that part of the year during which the employee occupied the specified position.
 - Performance payments recognised as an expense during the year.
 - Non-monetary benefits subject to fringe benefits tax. Note that it is no longer an option to receive a government vehicle in lieu of a car allowance.
- Long term employee expenses include amounts expensed in respect of long service leave entitlements earned.
- Post-employment expenses include amounts expensed in respect of employer superannuation obligations.
- Termination benefits are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payment in lieu of notice on termination, regardless of the reason for termination.

The mutually agreed terms for separating Directors-General considered all relevant clauses of their contracts. The payment for the Director-General's separation was determined prior to 30 June 2015 and is included in the below expenses for 2014-15.

Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15

8. Key Management Personnel and Remuneration Expenses (cont'd)

(b) Remuneration Expenses (cont'd)

1 July 2014 - 30 June 2015

Position	Short-Term Employee Expenses		Long-Term Employee Expenses	Post Employment Expenses	Termination Expenses	Total Expenses
	Monetary Expenses \$'000	Non-Monetary Expenses \$'000				
Director-General (1 July 2014 to 15 March 2015) *	705	2	\$'000 8	51	\$'000 287	\$'000 1,053
Director-General (6 March to 30 June 2015)	205	-	4	22	-	231
Chief Operating Officer and Deputy Director-General Public Sector Renewal (1 July 2014 to 10 March 2015)	241	-	4	27	-	272
Chief Operating Officer (11 March to 30 June 2015)	111	-	1	4	-	116
Deputy Director-General Policy (1 July 2014 to 20 March 2015)	238	-	5	26	-	269
Deputy Director-General Strategic Policy and Intergovernmental Relations	286	-	5	31	-	322
General Manager Corporate Services	217	-	4	24	-	245
General Manager Government Services	226	-	4	24	-	254
General Manager Public Sector Renewal (1 July 2014 to 16 March 2015)	152	-	3	15	-	170
Senior Executive Director Social Policy	234	-	5	25	-	264
Senior Executive Director Economic Policy	239	-	5	25	-	269
Senior Executive Director Office of the Director-General (27 November 2014 to 30 June 2015)	117	-	2	12	-	131
Queensland Parliamentary Counsel	346	-	7	40	-	393
Deputy Director-General Arts Queensland	85	-	2	9	-	96
Total Remuneration	3,402	2	59	335	287	4,085

* The former Director-General commenced special leave 15 February - 15 March 2015. Two senior public service officers acted for consecutive periods of less than two weeks each between 15 February - 5 March 2015.

Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15

8. Key Management Personnel and Remuneration Expenses (cont'd)

(b) Remuneration Expenses (cont'd)

1 July 2013 - 30 June 2014

Position	Short-Term Employee Expenses		Long-Term Employee Expenses	Post Employment Expenses	Termination Expenses	Total Expenses
	Monetary Expenses \$'000	Non-Monetary Expenses \$'000				
Director-General	674	3	12	70	\$'000	\$'000
Deputy Director-General, Policy (16 September 2013 to 30 June 2014)	200	-	3	22	-	759
Deputy Director-General, Policy (19 March 2014 to 30 June 2014)	65	-	1	7	-	225
Deputy Director-General, Governance (1 July 2013 to 2 January 2014)	105	13	2	12	-	73
Deputy Director-General, Priority Projects (1 July 2013 to 24 November 2013)	120	-	4	13	-	132
Chief Operating Officer and Deputy Director-General Public Sector Renewal (1 October 2013 to 30 June 2014)	259	1	5	28	-	137
General Manager, Corporate Services (21 January 2014 to 30 June 2014)	99	-	2	8	-	293
General Manager, Government Services (21 January 2014 to 30 June 2014)	97	-	2	9	-	109
General Manager, Public Sector Renewal (10 March 2014 to 30 June 2014)	75	-	1	6	-	108
Senior Executive Director, Social Policy (3 February 2014 to 30 June 2014)	90	-	2	10	-	82
Senior Executive Director, Economic Policy (3 February 2014 to 30 June 2014)	92	-	2	10	-	102
Queensland Parliamentary Counsel	321	20	6	48	-	104
Commission Chief Executive, Public Service Commission * (1 July 2013 to 20 September 2013)	-	-	-	-	-	395
Commission Chief Executive, Public Service Commission * (23 September 2013 to 21 January 2014)	-	-	-	-	-	-
Total Remuneration	2,197	37	42	243	0	2,519

*The Public Service Commission funds 100 percent of the remuneration costs for this position.

**Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15**

8. Key Management Personnel and Remuneration Expenses (cont'd)

(c) Performance Payments

The remuneration package for the former Director-General under the previous Government included a potential At Risk Component up to a maximum of \$98,973. Eligibility for such a performance payment in respect of 2013-14 was conditional on the achievement of objectives that are documented in that position's performance agreement.

The total remuneration package for the former Director-General included a portion that is "at risk" and paid only if they met or exceeded the agreed performance standards. The performance evaluation process comprised:

- reporting on end of year achievement and self-assessment by the former Director-General against their performance agreement/intended outcomes;
- analysis by the Commission Chief Executive, Public Service Commission and the Under Treasurer, Queensland Treasury of relevant performance data;
- a rigorous, independent and objective assessment of the Director-General's performance at the end of each financial year using, among other things, information provided from the performance assessment is undertaken by the Chief Executive Performance Evaluation Committee (CEPEC);
- the CEPEC will make their recommendations to the Premier; and
- the Premier has ultimate discretion whether the former Director-General was paid an At Risk Component, and if so, how much.

No At Risk Component payment was made for 2014-15 in accordance with the Government's commitment to discontinue such payments.

The performance payments expensed in the 2014-15 financial year is set out below.

Position	Date Paid	Basis for Payment
Director-General	17 October 2014	This payment relates to the achievement of performance criteria during 2013-14. In accordance with the terms of the performance agreement for this position, it was determined that a payment of \$98,973 be awarded.

The performance payments expensed in the 2013-14 financial year is set out below.

Position	Date Paid	Basis for Payment
Director-General	15 November 2013	Consistent with the abovementioned timeframe and process, this payment relates to the achievement of performance criteria during 2012-13. In accordance with the terms of the performance agreement for this position, it was determined that a payment of \$63,300 be awarded.

**Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15**

	2015 \$'000	2014 \$'000
9. Supplies and Services		
Advertising and communications	12,641	5,165
Building services	11,405	7,093
Building maintenance	9,222	-
Consultants and contractors	12,259	6,286
Outsourced corporate support	1,678	1,530
Hospitality and official functions	402	340
Information technology bureau services	5,405	4,158
Professional services	5,965	5,440
Travel	764	573
Other	3,544	3,040
Total	63,285	33,625
10. Grants and Subsidies		
Recurrent		
Grants to charities/community groups	402	212
Grants to Commonwealth Government agencies	8,461	9,105
Grants to individuals	130	10
Grants to industries	6,651	510
Grants to local authorities	2,985	1,611
Grants to Queensland Government recipients	3,934	383
Grants to statutory bodies	500	-
Grants to universities/tertiary education	6	10
Total recurrent	23,069	11,841
Capital		
Grants to to local authorities	6,843	-
Grants to charities/community groups	1,139	-
Total capital	7,982	-
Subsidy payments		
Contributions	793	514
Donations and gifts made	1,899	1,705
Sponsorships	2,195	1,087
Total subsidy payments	4,887	3,306
Total	35,938	15,147

**Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15**

	2015 \$'000	2014 \$'000
11. Other Expenses		
External audit fees *	214	100
Deferred appropriation refundable to Consolidated Fund	2,405	-
Other	152	376
Total	2,771	476

* Total audit fees paid to the Queensland Audit Office relating to the 2014-15 financial year for the economic entity is estimated to be \$214,500 (2014: \$100,000). This balance is inclusive of \$43,000 for AQ and \$70,000 for CAA. There are no non-audit services included in the amount.

12. Cash and Cash Equivalents

Imprest accounts	34	1
Cash at bank and on hand	17,726	4,057
Total	17,760	4,058

Departmental bank accounts grouped within the whole-of-government set-off arrangement with the Queensland Treasury Corporation do not earn interest on surplus funds. Interest earned on the aggregate set-off arrangement balances accrues to the Consolidated Fund.

13. Receivables and Loans Receivable

Current		
Trade debtors	2,489	4,962
Net trade debtors	2,489	4,962
Advances	200	
Less: Allowance for impairment loss	(200)	-
Net Advances	-	-
GST input tax credits receivable	1,126	119
GST payable	(359)	-
Net GST	767	119
Long service leave reimbursements	339	208
Annual leave reimbursements	1,329	838
Appropriation receivable	50	1,645
Accrued Receivable	384	2,037
Loan receivable	2,429	-
Other	146	3
Total	7,933	9,812
Non-current		
Loans receivable	948	-
Total	948	-

Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15

	2015 \$'000	2014 \$'000
14. Intangible Assets		
Software internally generated:		
At cost	5,622	4,015
Less: Accumulated amortisation	(3,219)	(2,799)
Less: Accumulated impairment losses	(7)	-
	2,396	1,216
Software work in progress:		
At cost	770	1,209
	770	1,209
Total	3,166	2,425

Intangibles Reconciliation

	Software Internally Generated		Software WIP		Total	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Carrying amount at 1 July	1,216	1,711	1,209	55	2,425	1,766
Acquisitions	-	-	1,713	1,325	1,713	1,325
Disposals	-	-	-	-	-	-
Acquisitions through restructures/MOG	-	-	55	-	55	-
Net assets transferred to other Government Entity (Queensland Health Renewal Taskforce)	(570)	-	-	-	(570)	-
Transfers between classes	2,207	171	(2,207)	(171)	-	-
Impairment losses	(7)	-	-	-	(7)	-
Amortisation	(450)	(666)	-	-	(450)	(666)
Carrying amount at 30 June	2,396	1,216	770	1,209	3,166	2,425

Amortisation of intangibles is included in the line item 'Depreciation and amortisation' in the Statement of Comprehensive Income.

The department has intangible assets with an original cost of \$1,753,785 and a written down value of zero still being used in the provision of services. These assets are expected to be replaced in the 2015-16 financial year.

Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15

	2015 \$'000	2014 \$'000
15. Property, Plant and Equipment		
Plant and equipment:		
At cost plant and equipment	6,746	6,853
Less: Accumulated depreciation	(5,210)	(5,308)
Less: Accumulated impairment losses	(71)	-
At cost leasehold improvements:	2,739	-
Less: Accumulated depreciation	(1,085)	-
	3,119	1,545
Land		
At fair value	241,700	-
	241,700	-
Buildings		
At cost	12,803	-
At fair value	903,915	-
Less: Accumulated depreciation	(513,473)	-
	403,245	-
Heritage and cultural assets		
At cost	125	-
	125	-
Capital works in progress:		
At cost - Buildings	691	12
	691	12
Total	648,880	1,557

Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15

15. Property, Plant and Equipment (cont'd)

Property, Plant and Equipment Reconciliation

	Plant and Equipment		Major Plant and Equipment		Capital Works in Progress		Land	Building	Heritage and Cultural Assets	Total	
	2015	2014	2015	2014	2015	2014				2015	2014
Carrying amount at 1 July	1,545	1,953	-	9,661	12	48	-	-	-	1,557	11,662
Acquisitions	59	112	-	-	115	29	-	-	-	174	141
Disposals	-	(41)	-	-	-	-	-	-	-	-	(41)
Transfers between asset classes	86	65	-	-	(86)	(65)	-	-	-	-	(0)
Acquisitions through restructures/MOG	2,320	(14)	-	(9,661)	650	-	241,700	413,845	125	658,640	(9,675)
Impairment losses	(72)	(1)	-	-	-	-	-	(10,600)	-	(72)	(1)
Impairment reversals	1	-	-	-	-	-	-	-	-	1	-
Depreciation/amortisation	(820)	(529)	-	-	-	-	-	-	-	(11,420)	(529)
Carrying amount at 30 June	3,119	1,545	-	-	691	12	241,700	403,245	125	648,880	1,557

The department has 4 items within buildings with a replacement cost of \$13,620,960 and plant and equipment with an original cost of \$2,923,527 and a written down value of zero still being used in the provision of services. Regular assessment by management is conducted and a number of items are currently assessed for replacement in the 2015-16 financial year.

Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15

15. Property, Plant and Equipment (cont'd)

Categorisation of fair values recognised as at 30 June 2015 (refer to note 1(o))

	Level 2 \$'000	Level 3 \$'000	Total \$'000
Land	241,700	-	241,700
Buildings	-	403,245	403,245
Heritage and Cultural assets	-	125	125

Level 3 fair value reconciliation

	Land	Buildings	Heritage and Cultural Assets	Total
	2015	2015	2015	2015
	\$'000	\$'000	\$'000	\$'000
Acquisitions through restructures/MOG	241,700	413,846	125	655,671
Depreciation for period	-	(10,601)	-	(10,601)
Carrying amount as at 30 June	241,700	403,245	125	645,070

There were no transfers between level 2 and 3 for these assets during the reporting period.

Description	Fair value at 30 June 2015 \$'000	Type and amount for significant level 3 inputs	Possible alternative amounts for significant level 3 inputs	Impact of alternative amounts for significant level 3 inputs
Buildings	403,245	Both observable and unobservable inputs are used. The extent of using unobservable inputs is depended on the availability and quality of any relevant observable inputs for similar assets. Unobservable inputs relating to construction costs are based on project costs from recent capital works projects. Two key indices used by the Quantity Surveyors are the Locality Index (LI) and Building Price Index (BPI). Both the LI and the BPI are considered to be level 3 inputs and are based on observable market inputs, which are then modified or interpreted through technical experience becoming unobservable market inputs.	406,431 to 423,891	Quantity Surveyor indexation valuation report indicates a Building Price Index sensitivity analysis of between 0.79% and 5.12%
Heritage and Cultural Assets	125	Items are valued on an individual basis. Consequently, quantifiable information about significant unobservable inputs used in the fair value measurement of each item is not available.	No variation	Due to the nature of the valuations, no sensitivity variations are recorded

Usage of alternative level 3 inputs (as per the above table) that are reasonable in the circumstances as at the revaluation date would not result in material changes in the reported fair value. There are no significant interrelationships between unobservable inputs that materially impact fair value.

**Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15**

15. Property, Plant and Equipment (cont'd)

Overview

AQ engaged State Valuation Service (SVS) on 28 February 2015 to perform a comprehensive market valuation of land, artwork assets and an indexed valuation of building assets.

The valuations have been undertaken by valuers who are registered under the *Queensland Valuers Registration Act 1992* and are Certified Practising Valuers experienced in valuation approaches for financial reporting to satisfy AASB13. The indexation of the requested structures/land improvements is supplied by Gray Robinson Cottrell (GRC) Quantity Surveyors in which all team members possess a degree level of qualification and are members of the Australian Institute of Quantity Surveyors.

The valuation process has made assumptions in regard to AASB 13 and the principal or most advantageous market. Property sales used to determine the valuations are derived from the Queensland property market which is both the principal and the most advantageous market.

The Market Participant assumptions are also made in the valuation process that market participants would not sell less than/buy higher than the current market value.

The Highest and Best Use assumptions are also adopted. Highest and Best Use has taken into account the characteristics of the assets concerned, including restrictions on the use and disposal of assets arising from the asset's physical nature and any applicable legislative/contractual restrictions on use.

Significant unobservable inputs that may be used in this valuation include construction costs, cost estimates for differences in functionality, physical condition and level of customisation. Unobservable inputs relating to construction costs are based on recent tenders for typical specialised buildings supported by specialised Quantity Surveyor information. The Building Price Index and Locality Index are 2 factors used to ensure that estimates are reflective of the construction market at any point in time.

All assets for which fair value is measured have been categorised within the fair value hierarchy (Level 1, 2, 3), based on the valuation assumptions and inputs used in the most recent valuations. The valuer has noted and recorded when they believe assets transfer between the fair value hierarchy levels due to the valuation inputs used for the asset change.

Land

AQ owns land and buildings of arts and cultural significance at sites in Fortitude Valley and the Cultural Precinct, South Brisbane.

SVS last performed a comprehensive revaluation of land as at 28 February 2015 as it is a Level 2 valuation and an observable market is in place. The land was also revalued post various land transactions that were completed during 2013-14 and 2014-15. An application was made in September 2014 to heritage list part of the Cultural Precinct site and this was granted in June 2015. The effects of this heritage listing were taken into account when determining the fair value in February 2015. This value remains applicable at the 30 June 2015.

Land assets have a fair value of \$241.7 million.

Buildings

Buildings controlled by AQ were subject to an indexed valuation by SVS as at 28 February 2015.

Building assets are split into their component elements and sub-elements in the Fixed Asset Register utilising the standards recommended by the Institute of Quantity Surveyors. This means each building may have many individual asset components within the fixed asset register, each of which will have a different definable useful life and depreciation rate and subject to ongoing maintenance and will have different remaining useful lives at the time of a revaluation.

The buildings at the Cultural Precinct represent highly complex buildings for valuation due to the nature of the space within these – galleries, performance spaces, humidity controlled storage, office space, retail space, food and beverage outlets etc. and the footprint of those buildings is also over 10,000 m which can take several weeks to survey for valuation purposes.

Buildings are considered a Level 3 valuation due to several unobservable inputs forming part of the valuation such as estimating useful life, replacement cost, remaining useful life, depreciation percentages.

A desktop valuation is performed with reference to appropriate indices and market indicators. Appropriate study of all relevant building and construction indices are used to derive an appropriate indexation for the year. SVS recommend a 3.15% indexation of the 2014 asset values in February 2015.

**Department of the Premier and Cabinet
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15. Property, Plant and Equipment (cont'd)

The indexation movement of 3.15% is considered immaterial under the NCAP Valuation of Assets and therefore AQ has taken the decision not to apply this indexation for the current period. There is no revaluation increment or decrement for the 4 months to 30 June 2015.

Heritage and Cultural Assets

SVS performed a comprehensive revaluation of Heritage and Cultural Assets comprising of 5 artworks (includes 1 painting, 1 sculpture, 3 artworks). The valuations are based on sale prices achieved for similar artworks of similar quality by the artist, or where there are no recent sales by the artist, by an artist of equivalent stature.

Artwork assets have been revalued at a fair value of \$0.125 million as at 28 February 2015. There is no revaluation increment or decrement for the 4 months to 30 June 2015.

	2015	2014
	\$'000	\$'000
16. Payables		
Trade creditors and accruals	7,089	7,978
Grants and subsidies payable	220	-
Deferred appropriation refundable to Consolidated Fund	2,455	-
Other	479	391
Total	10,243	8,369

17. Interest-bearing liabilities

Current

Queensland Treasury Corporation borrowings

2,404

-

Total current

2,404

-

Non-current

Queensland Treasury Corporation borrowings

948

-

Total non-current

948

-

Total

3,352

-

No assets have been pledged as security for the borrowings.

All borrowings are in Australian dollar denominated amounts and carried at amortised cost, interest being recognised as an expense as it accrued. No interest has been capitalised during the current or comparative reporting period. There have been no defaults or breaches of the loan agreements during the period. Repayment dates vary from one to two years.

Principal and interest repayments were made quarterly in arrears at rates ranging from 2.102% to 3.027%.

Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15

	2015 \$'000	2014 \$'000
18. Accrued Employee Benefits		
Current		
Long service leave levy payable	315	218
Annual leave levy payable	1,522	1,266
Accrued salaries and wages	552	51
Accrued redundancy payments	-	195
Total	2,389	1,730
19. Reconciliation of Operating Surplus/(Deficit) to Net Cash from Operating Activities		
Operating surplus/(deficit)	68	-
Non-cash items:		
Depreciation and amortisation expense	11,869	1,195
Loss on sale of plant and equipment	-	40
Impairment losses	79	1
Change in assets and liabilities:		
(Increase)/decrease in departmental services revenue receivable	1,595	1,824
(Decrease)/increase in deferred appropriation refundable to Consolidated Fund	2,455	-
(Increase)/decrease in trade debtors	2,473	(4,001)
(Increase)/decrease in other receivables	1,500	(1,335)
(Increase)/decrease in GST receivable	(1,007)	523
(Increase)/decrease in long service leave reimbursement receivable	(131)	(20)
(Increase)/decrease in annual leave reimbursement receivables	(491)	24
(Increase)/decrease in inventories	(17)	8
(Increase)/decrease in other current assets	(1,053)	219
Increase/(decrease) in GST payable	359	-
Increase/(decrease) in payables	(600)	2,731
Increase/(decrease) in accrued employee benefits	659	(16)
Increase/(decrease) in other current liabilities	-	(33)
Increase/(decrease) in unearned revenue	641	-
Net cash from operating activities	18,399	1,160

**Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15**

20. Machinery-of-Government Transfers

As a result of the Public Service Departmental Arrangements Notice (No. 1) 2015, dated 16 February 2015 with financial effect from 1 March 2015, the responsibility of the following entities were transferred from the former Department of Science, Information Technology and Innovation and the Arts to the department (note 22).

(a) Transfer of Arts Queensland (AQ) and Corporate Administration Agency (CAA)

Assets and Liabilities Transferred	AQ	CAA
	\$'000	\$'000
<i>Assets</i>		
<i>Current Assets</i>		
Cash	8,428	2,853
Receivables and Loan Receivables	5,068	2,210
Prepayments	-	91
<i>Non Current Assets</i>		
Property, Plant and Equipment	658,299	342
Receivables and Loan Receivables	130	-
Total Assets	671,925	5,496
<i>Liabilities</i>		
<i>Current Liabilities</i>		
Payables	3,972	496
Interest-Bearing Liabilities	2,110	-
Accrued Employee Benefits	387	272
Other	-	160
<i>Non Current Liabilities</i>		
Interest-Bearing Liabilities	106	-
Total Liabilities	6,575	928
Net assets transferred	665,350	4,568

(b) Other machinery-of-Government transfers

Assets and liabilities of the following entities as at 1 March 2015 were minimal and would not materially affect the reported financial position and operating result of the economic entity (note 22).

- Screens Queensland (SQ)
- Aboriginal Centre for the Performing Arts Pty Ltd (ACPA)
- Queensland Music Festival Pty Ltd (QMF)
- Major Brisbane Festivals Pty Ltd (MBF)

The department does not have control over the financial or operating policies through voting rights or board membership of MBF. The department does exert significant influence over MBF, however has not applied equity accounting as the amounts involved would not materially impact the consolidated results (note 22).

**Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15**

2015	2014
\$'000	\$'000

21. Commitments for Expenditure

(a) Non-Cancellable Operating Lease

Commitments under operating leases at reporting date are inclusive of anticipated GST and are payable as follows:

· Not later than one year	-	168
Total	-	168

Operating leases are entered into as a means of acquiring access to office accommodation and storage facilities. Lease payments are generally fixed, but with inflation escalation clauses on which contingent rentals are determined.

(b) Capital Expenditure Commitments

Material classes of capital expenditure commitments inclusive of anticipated GST, contracted for at reporting date but not recognised in the accounts are payable as follows:

· Not later than one year	21,988	1,472
· Later than one year and not later than five years	11,939	-
Total	33,927	1,472

(c) Expenditure Commitments

Material classes of expenditure commitments inclusive of anticipated GST, contracted for at reporting date but not recognised in the accounts are payable as follows:

· Not later than one year	4,743	7,379
· Later than one year and not later than five years	9,716	252
Total	14,459	7,631

(d) Grants and Subsidies Commitments

Approval has been given to various grantees in accordance with formal agreements to pay the following grants and subsidies inclusive of GST provided certain criteria are met:

· Not later than one year	6,388	2,340
· Later than one year and not later than five years	3,567	1,460
Total	9,955	3,800

**Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15**

21. Commitments for Expenditure (cont'd)

2015	2014
\$'000	\$'000

The above commitments for grants and subsidies expenditure are allocated to the following categories:

Grants to Charities/Community Groups	234	1,641
Grants to Non Queensland Government departments	-	849
Grants to Queensland Government recipients	3,671	480
Grants to industries	279	440
Sponsorship	466	328
Donations	-	62
Grants to statutory bodies	5,298	-
Grants to universities/tertiary education	7	-
Total	9,955	3,800

22. Controlled Entities

The following entities are 100 percent controlled by the department:

Name of Controlled Entities	Audit Arrangements
Aboriginal Centre for the Performing Arts Pty Ltd	Auditor-General of Queensland
Queensland Music Festival Pty Ltd	External Independent Auditor
Screen Queensland Pty Ltd	Auditor-General of Queensland

The department had interests in the following associates during the 2014-15 financial year:

Name of Associate	Audit Arrangements
Major Brisbane Festivals Pty Ltd	External Independent Auditor

(a) Aboriginal Centre for the Performing Arts Pty Ltd

The Aboriginal Centre for the Performing Arts Pty Ltd (ACPA) is a registered training company that delivers accredited training to Indigenous and Non-Indigenous persons in various performing arts courses.

The assets, liabilities, revenue and expenses of ACPA have not been consolidated in the financial statements as they would not materially affect the reported financial position and operating result of the Economic Entity.

The share capital of ACPA consists of 2 ordinary shares of \$1 each, fully paid, and held by the State of Queensland.

A summary of the latest audited financial transactions and balances for ACPA are shown below in figure 1.

(b) Queensland Music Festival Pty Ltd

Queensland Music Festival Pty Ltd (QMF) was established and incorporated in the State of Queensland as a non-profit company "to produce and promote a biennial Queensland festival of music which achieves both international excellence and accessibility for Queenslanders from all walks of life".

The share capital of QMF consists of 2 ordinary shares of \$1 each, fully paid, and are held by the State of Queensland.

The assets, liabilities, revenue and expenses of QMF have not been consolidated in the financial statements as they would not materially affect the reported financial position and operating result of the economic entity.

A summary of the audited 30 September 2014 financial transactions and balances for QMF are shown below in figure 1.

**Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15**

22. Controlled Entities (cont'd)

(c) Screen Queensland Pty Ltd

Screen Queensland Pty Ltd (SQ) is a company, incorporated in the State of Queensland, limited by shares held beneficially by the State of Queensland. Its principal activities during the course of the year were the facilitation of the development, promotion and enhancement of the film production industry, and film culture and presentation of film and film-related events in Queensland.

The assets, liabilities, revenue and expenses of SQ have not been consolidated in the financial statements as they would not materially affect the reported financial position and operating result of the Economic Entity.

The share capital of SQ consists of one fully paid share to the value of \$10 and is held by the State of Queensland.

A summary of the audited 30 June 2015 financial transactions and balances for SQ are shown below in figure 1.

d) Major Brisbane Festivals Pty Ltd

Major Brisbane Festivals Pty Ltd (MBF) incorporating Brisbane Festival is jointly owned by the State of Queensland and Brisbane City Council and aims to position Brisbane as a key festival destination.

The State of Queensland, through the department, and the Brisbane City Council each hold 50% of the shares of the MBF. It has been determined that the department does not have control over the financial or operating policies through voting rights or board membership of the entity. However, due to funding arrangements for the entity, the department has significant influence.

The share capital of MBF consists of 2 ordinary shares of \$1 each, fully paid. One share is held by the State of Queensland and one is held by the Brisbane City Council.

Equity accounting has not been applied as the transactions of the entity are not material.

Figure 1: Audited Financial Transactions and Balances

	SQ	ACPA	MBF	QMF
	30 June 2015	30 June 2014	31 December 2014	30 September 2014
	\$'000	\$'000	\$'000	\$'000
	Audited	Audited	Audited	Audited
Revenue	11,321	1,508	16,041	2,461
Expenses	<u>12,476</u>	<u>2,055</u>	<u>15,759</u>	<u>1,703</u>
Net Surplus/(Deficit)	<u>(1,155)</u>	<u>(547)</u>	<u>282</u>	<u>758</u>
Assets	10,564	1,376	2,729	1,267
Liabilities	<u>3,664</u>	<u>87</u>	<u>1,656</u>	<u>306</u>
Net Assets	<u>6,900</u>	<u>1,289</u>	<u>1,073</u>	<u>961</u>

**Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15**

23. Financial Instruments

(a) Categorisation of Financial Instruments

The department has the following categories of financial assets and financial liabilities:

	Note	2015 \$'000	2014 \$'000
Financial Assets			
Cash and cash equivalents	12	17,760	4,058
Receivables and loans receivable	13	8,881	9,812
Total		26,641	13,870
Financial Liabilities			
Financial liabilities measured at amortised costs:			
Payables	16	10,243	8,369
Interest bearing liabilities - QTC borrowings	17	3,352	-
Total		13,595	8,369

(b) Financial Risk Management

The Department of the Premier and Cabinet's activities expose it to a variety of financial risks - interest rate risk, credit risk, liquidity risk and market risk.

Financial risk management is implemented pursuant to Government and departmental policy. These policies focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the financial performance of the department.

All financial risks are managed by Financial Services under the policies approved by the accountable officer of the Department of the Premier and Cabinet. The department provides written principles for overall risk management, as well as policies covering specific areas.

The department measures risk exposure using a variety of methods as follows -

Risk Exposure	Measurement method
Credit risk	Ageing analysis, earnings at risk
Liquidity risk	Sensitivity analysis
Market risk	Interest rate sensitivity analysis

(c) Credit Risk Exposure

Credit risk exposure refers to the situation where the department may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation.

The maximum exposure to credit risk at balance date in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment.

The following table represents the department's maximum exposure to credit risk based on contractual amounts net of any allowances:

Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15

23. Financial Instruments (cont'd)

(c) Credit Risk Exposure (cont'd)

Maximum Exposure to Credit Risk

Category	Note	2015 \$'000	2014 \$'000
Financial Assets			
Loans receivable	13	3,377	-
Total		3,377	-

Financial Assets

The carrying amount of receivables represents the maximum exposure to credit risk. As such, receivables are not included in the above disclosure.

No collateral is held as security and no credit enhancements relate to financial assets, other than loans and advances.

The department manages credit risk through the use of a credit management strategy. This strategy aims to reduce the exposure to credit default by ensuring that the department invests in secure assets and monitors all funds owed on a timely basis. Exposure to credit risk is monitored on an ongoing basis.

No financial assets or financial liabilities have been offset and presented net in the Statement of Financial Position.

The allowance for impairment reflects the occurrence of loss events. The most readily identifiable loss event is where a debtor is overdue in paying a debt to the department, according to the due date (normally terms of 30 days).

Economic changes impacting the department's debtors, and relevant industry data, also form part of the department's documented risk analysis.

If no loss events have arisen in respect of a particular debtor or group of debtors, no allowance for impairment is made in respect of that debt/group of debtors. If the department determines that an amount owing by such a debtor does become uncollectible (after appropriate range of debt recovery actions), that amount is recognised as a Bad Debt expense and written-off directly against Receivables. In other cases where a debt becomes uncollectible but the uncollectible amount exceeds the amount already allowed for impairment of that debt, the excess is recognised directly as a Bad Debt expense and written off directly against Receivables.

No financial assets have had their terms renegotiated so as to prevent them from being past due or impaired, and are stated at the carrying amounts.

Ageing of past due but not impaired as well as impaired financial assets are disclosed in the following tables:

2015 Financial Assets Past Due But Not Impaired					
	Overdue				Total \$'000
	Less than 30 Days \$'000	30 - 60 Days \$'000	61-90 Days \$'000	More than 90 Days \$'000	
	Financial Assets				
Receivables	875	18	48	-	941
Total	875	18	48	-	941

Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15

23. Financial Instruments (cont'd)

Financial Assets (cont'd)

2014 Financial Assets Past Due But Not Impaired

	Overdue				Total \$'000
	Less than 30 Days \$'000	30 - 60 Days \$'000	61-90 Days \$'000	More than 90 Days \$'000	
	Financial Assets				
Receivables	1	-	-	-	1
Total	1	-	-	-	1

2015 Individually Impaired Financial Assets

	Overdue				Total \$'000
	Less than 30 Days \$'000	30 - 60 Days \$'000	61-90 Days \$'000	More than 90 Days \$'000	
	Receivables (gross)	-	-	-	
Provision for Impairment	-	-	-	(200)	(200)
Carrying Amount	-	-	-	-	-

There were no individually impaired financial assets as at 30 June 2014.

(d) Liquidity Risk

Liquidity risk refers to the situation where the department may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The department is exposed to liquidity risk in respect of its payables and borrowings from Queensland Treasury Corporation for capital works. The borrowings are based on the Queensland Government's gazetted floating rate.

The department manages liquidity risk through the use of a liquidity management strategy. This strategy aims to reduce the exposure to liquidity risk by ensuring the department has sufficient funds available to meet employee and supplier obligations as they fall due. This is achieved by ensuring that minimum levels of cash are held within the various bank accounts so as to match the expected duration of the various employee and supplier liabilities.

The following table sets out the liquidity risk of financial liabilities held by the department. It represents the contractual maturity of financial liabilities, calculated based on undiscounted cash flows relating to the liabilities at reporting date. The undiscounted cash flows in these tables differ from the amounts included in the Statement of Financial Position that are based on discounted cash flows.

Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15

23. Financial Instruments (cont'd)

(d) Liquidity Risk (cont'd)

	Note	2015 Payable in			Total \$'000
		< 1 year \$'000	1-5 years \$'000	> 5 year \$'000	
Financial Liabilities					
Payables	16	10,243	-	-	10,243
Interest-bearing liabilities	17	2,404	948	-	3,352
Total		12,647	948	-	13,595

	Note	2014 Payable in			Total \$'000
		< 1 year \$'000	1-5 years \$'000	> 5 years \$'000	
Financial Liabilities					
Payables	16	8,369	-	-	8,369
Total		8,369	-	-	8,369

(e) Market Risk

The department does not trade in foreign currency and is not materially exposed to commodity price charges. The department is exposed to interest rate risk through its borrowings from Queensland Treasury Corporation and cash deposits in interest bearing accounts. The department does not undertake any hedging in relation to interest risk and manages its risk as per the liquidity risk management strategy articulated in department's Financial Management Practice Manual.

(f) Fair Value

Apart from cash and cash equivalents, the department does not recognise any financial assets or financial liabilities at fair value in the Statement of Financial Position.

The fair value of receivables and payables is assumed to approximate the value of the original transaction, less any allowance for impairment.

The fair value of borrowings is notified by the Queensland Treasury Corporation. It is calculated using discounted cash flow analysis and the effective interest rate (refer to note 13 and 17) and is disclosed below:

	2015	
	Carrying Amount \$'000	Fair Value \$'000
Financial Assets		
Loans receivable	3,377	3,380
Total	3,377	3,380
Financial Liabilities		
Interest-bearing liabilities	3,352	3,354
Total	3,352	3,354

Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15

24. Schedule of Administered Items

	Ministerial Offices, Assistant Ministers and Office of the Leader of the Opposition		Former Governor's Pension		Queensland Family and Child and Commission		* Arts and Culture		Total Administered	
	2015	2014	2015	2014	2015	2015	2015	2015	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Administered Revenues										
Appropriation revenue	40,432	39,983	305	150	9,423	17,806	67,966	40,133		
Other revenue	34	65	-	-	1,111	-	1,145	65		
Gain on disposal of assets	-	19	-	-	-	-	-	19		
Total Administered Revenues	40,466	40,067	305	150	10,534	17,806	69,111	40,217		
Administered Expenses										
Employee expenses	27,233	26,042	275	116	-	-	27,508	26,158		
Supplies and services	12,898	13,051	-	-	-	-	12,898	13,051		
Grants and subsidies	-	-	-	-	10,534	17,806	28,340	-		
Depreciation and amortisation	226	231	-	-	-	-	226	231		
Other expenses	109	205	3	-	-	-	112	205		
Total Administered Expenses	40,466	39,529	278	116	10,534	17,806	69,084	39,645		
Operating Surplus/(Deficit)	-	538	27	34	-	-	27	572		

* Grants and subsidies administered by Arts Queensland were paid to following entities.

Queensland Arts Gallery	7,211
Queensland Museum	5,481
Queensland Performing Art Trust	2,014
Queensland Theatre Company	650
Screen Queensland	2,450
	17,806

Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15

24. Schedule of Administered Items (cont'd)

	Ministerial Offices, Assistant Ministers and Office of the Leader of the Opposition		Former Governor's Pension		Queensland Family and Child and Commission		Arts and Culture		Total Administered	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Administered Assets										
Current										
Cash and cash equivalents	6,312	8,961	233	51	-	-	-	-	6,545	9,012
Receivables	3,478	523	-	-	-	-	-	-	3,478	523
Other current assets	22	35	-	-	-	-	-	-	22	35
Total Current Assets	9,812	9,519	233	51	-	-	-	-	10,045	9,570
Non-current										
Property, plant and equipment	568	776	-	-	-	-	-	-	568	776
Total Non-current Assets	568	776	-	-	-	-	-	-	568	776
Total Assets	10,380	10,295	233	51	-	-	-	-	10,613	10,346
Administered Liabilities										
Current										
Payables	902	636	-	-	-	-	-	-	902	636
Accrued employee benefits	959	872	155	-	-	-	-	-	1,114	872
Total Current Liabilities	1,861	1,508	155	-	-	-	-	-	2,016	1,508
Non-current										
Accrued employee benefits	3,681	3,949	-	-	-	-	-	-	3,681	3,949
Total Non-current Liabilities	3,681	3,949	-	-	-	-	-	-	3,681	3,949
Total Liabilities	5,542	5,457	155	-	-	-	-	-	5,697	5,457
Net Administered Assets	4,838	4,838	78	51	-	-	-	-	4,916	4,889
Administered Equity										
Contributed equity	4,211	4,211	-	-	-	-	-	-	4,211	4,211
Retained Surplus	627	627	78	51	-	-	-	-	705	678
Total Administered Equity	4,838	4,838	78	51	-	-	-	-	4,916	4,889

No Administered assets and liabilities were transferred into the department from the former DSITIA.

Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15

	2015 \$'000	2014 \$'000
25. Reconciliation of Payments from Consolidated Fund to Administered Revenue		
Budgeted appropriation	56,591	45,423
Transfers from/(to) other departments	17,745	-
Transfers from/(to) other headings	-	(3,018)
Lapsed appropriation	(9,446)	-
Total administered receipts	64,890	42,405
Plus: Closing balance of departmental services revenue receivable	3,076	-
Less: Opening balance of departmental services revenue receivable	-	(2,272)
Administered revenue recognised above	67,966	40,133

26. Contingencies

There is an indemnity of \$750,000 provided to the Directors of Major Brisbane Festivals Pty Ltd to protect Brisbane Festival and therefore the Directors for production losses from reasonable commercial risks.

There is an indemnity of \$500,000 provided to the Directors of Queensland Music Festival Pty Ltd to protect the Queensland Music Festival and therefore the Directors for production losses arising from reasonable commercial risks.

There are no insurance claims relating to public liability incidents.

There are no legal actions that have been undertaken by the department at reporting date.

27. Events Occurring after Balance Date

There are no major events which occurred after 30 June 2015.

Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15

28. Budget vs Actual Comparison

Statement of Comprehensive Income

	Variance Notes	Adjusted Budget 2015 \$'000	Actual 2015 \$'000	Variance \$'000	Variance % of Budget
Income from Continuing Operations					
Appropriation revenue		159,552	157,950	(1,602)	(1%)
User charges and fees	1	9,150	13,054	3,904	43%
Grants and other contributions	2	439	4,387	3,948	899%
Other revenue	3	6	2,055	2,049	100%
Total Income from Continuing Operations		169,147	177,446	8,299	5%
Expenses from Continuing Operations					
Employee expenses	4	56,001	63,436	7,435	13%
Supplies and services	5	51,061	63,285	12,224	24%
Grants and subsidies	6	42,640	35,938	(6,702)	(16%)
Depreciation and amortisation	7	19,316	11,869	(7,447)	(39%)
Impairment losses		-	79	79	100%
Other expenses	8	298	2,771	2,473	830%
Total Expenses from Continuing Operations		169,316	177,378	8,062	5%
Operating Result for the Year		(169)	68	237	(140%)
Other Comprehensive Income					
Total Comprehensive Income		(169)	68	237	(140%)

Explanation of Major Variances

- Actual User charges and fees income were higher than budget primarily due to higher than anticipated patronage of the Cultural Centre Precinct car parks as a result of higher profile shows (for examples, the Lion King, Wicked and Dirty Dancing), increased utilities revenue from Arts Queensland owned building and higher than anticipated administration fees collected through higher than anticipated government advertising spend. These items represent \$3.33m of the variance.
- Actual Grants and other contributions were higher than budget due to additional funding obtained post budget formation for the Queensland Health Renewal Taskforce (QHRT), hosting the G20 and related G20 cultural program, a Federal Government contribution towards Anzac Legacy projects and state wide events (including Queensland Week and Australia Day). These items represent \$3.52m of the variance.
- Actual Other revenue was higher than budget due to insurance claim proceeds from the November 2014 hail storm and recognition of staff costs provided at less than fair value. These staff costs reflect instances whereby staff were provided from other government agencies for short term assignments. These items represent \$1.84m of the variance.
- Actual Employee expenses were higher than budget primarily due to additional funding provided towards the following initiatives after formation of the budget: hosting the G20 and related G20 cultural program, activities focussed upon reducing Domestic and Family Violence, QHRT, whole-of-government Media Reporting Services, Our Community Newsletter, the Queensland Plan, transition to a new information and communication services provider, severance and contract termination payments, Anzac Centenary Commemoration projects, overheads associated with unplanned events and maintenance at the Cultural Centre Precinct and Commission of Inquiry into the 2011 Grantham Floods. These items represent \$6.02m of the variance.

**Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15**

28. Budget vs Actual Comparison (cont'd)

Statement of Comprehensive Income (cont'd)

5. Actual Supplies and services were higher than budget primarily due to additional funding provided towards the following initiatives after formation of the budget: hosting the G20 and related G20 cultural program, activities focussed upon reducing Domestic and Family Violence, QHRT, Our Community Newsletter, transition to a new information and communication services provider, Cultural Centre Precinct repairs and maintenance and whole-of-government Media Reporting Services. These items represent \$11.02m of the variance.
6. Actual Grants and subsidies expenditure were lower than budget due to the net deferral of Anzac Centenary Coordination (ACC) grant payments to the following financial year. These items represent \$4.50m of the variance.
7. Actual Depreciation and amortisation was lower than budget as the budgeted figure did not take into account the Cultural Precinct Master Plan that was developed under the previous Government which incorporated significant building enhancements that did not eventuate. This represents \$7.40m of the variance.
8. Actual Other expenses were higher than budget primarily due to amounts relating to the department's Appropriation payable to Queensland Treasury. The appropriation payable relates to Cabinet Budget Review Committee (CBRC) projects such as Commissions of Inquiry, Anzac Centenary Commemoration Unit (ACCU) and strategies aimed at reducing Alcohol Fuelled Violence. These items represent \$2.40m of the variance.

Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15

28. Budget vs Actual Comparison (cont'd)

Statement of Financial Position

	Variance Notes	Adjusted Budget 2015 \$'000	Actual 2015 \$'000	Variance \$'000	Variance % of Budget
Current Assets					
Cash and cash equivalents	9	10,859	17,760	6,901	64%
Receivables and loans receivable	10	8,856	7,933	(923)	(10%)
Inventories		81	48	(33)	(41%)
Prepayments	11	931	1,450	519	56%
Total Current Assets		20,727	27,191	6,464	31%
Non-current Assets					
Receivables and loans receivable		932	948	16	2%
Intangible assets	12	4,034	3,166	(868)	(22%)
Property, plant and equipment	13	632,542	648,880	16,338	3%
Total Non-current Assets		637,508	652,994	15,486	2%
Total Assets		658,235	680,185	21,950	3%
Current Liabilities					
Payables	14	7,413	10,243	2,830	38%
Interest-bearing liabilities	15	1,017	2,404	1,387	136%
Accrued employee benefits		2,154	2,389	235	11%
Unearned Revenue	16	23	641	618	2687%
Total Current Liabilities		10,607	15,677	5,070	48%
Non-current Liabilities					
Interest-bearing liabilities		883	948	65	7%
Total Non-current Liabilities		883	948	65	7%
Total Liabilities		11,490	16,625	5,135	45%
Net Assets		646,745	663,560	16,815	3%
Equity					
Contributed equity		643,329	659,907	16,578	3%
Accumulated surplus/deficit		3,416	3,653	237	7%
Total Equity		646,745	663,560	16,815	3%

**Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15**

28. Budget vs Actual Comparison (cont'd)

Statement of Financial Position (cont'd)

Explanations of major variances.

9. Actual cash balances ended the financial year with a balance higher than budget primarily due to amounts relating to the Appropriation funding payable to Queensland Treasury and increased unearned revenue balances. The appropriation payable occurred primarily due to timing delays of some existing projects and subsequent new initiatives resulting from the change of government. The main initiatives that were delayed related to Anzac commemorations and strategies aimed at reducing Alcohol Fuelled Violence and the main new initiative represented was expenditure related to the Commission of Inquiry into the 2011 Grantham Floods.
10. Actual Receivables and Loans Receivable ended the financial year with a balance lower than budget due to less than expected loans raised to Screen Queensland in relation to the Revolving Film Finance Fund (RFFF).
11. Actual Prepayments ended the financial year with a balance higher than budget primarily due to software licenses the Corporate Administration Agency (CAA) has paid to service new clients that was unknown at the time of budget formation. This represents \$0.51m of the variance.
12. Actual Intangible assets ended the financial year with a balance lower than budget due to the change towards providing "ICT as a service model", resulting in not replacing department software assets. The decrease partly offset by some relatively lower value software purchases. These items represent \$0.87m of the variance.
13. Actual Property, plant and equipment assets ended the financial year with a balance higher than budget primarily due to the net effect of asset revaluations of land and buildings located at the Cultural Centre Precinct. This represents \$15.91m of the variance.
14. Actual Payables ended the financial year with a balance higher than budget primarily due to amounts relating to Appropriation funding payable to Queensland Treasury. The appropriation payable occurred primarily due to timing delays of some existing projects and subsequent formation of new initiatives resulting from the change of government. The main initiatives that were delayed related to ANZAC Commemorations and strategies aimed at reducing Alcohol Fuelled Violence and the main new initiative represented in the payable balances was expenditure related to the Commission of Inquiry into the 2011 Grantham Floods. These items represent \$2.41m of the variance.
15. Actual Current interest bearing liabilities ended the financial year with a balance higher than budget as the RFFF activities were not budgeted due to the relative uncertain nature of these activities. This represents the variance.
16. Actual Unearned revenue ended the financial year with a balance higher than budget primarily due to user charges income received that will not be earned until the 2015-16 financial year. This represents \$0.60m of the variance.

Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15

28. Budget vs Actual Comparison (cont'd)

Statement of Cash Flows

	Variance Notes	Adjusted Budget 2015 \$'000	Actual 2015 \$'000	Variance \$'000	Variance % of Budget
Statement of Cash Flow					
Cash flows from operating activities					
<i>Inflows:</i>					
Departmental services receipts		159,552	159,595	43	0%
User charges	17	10,573	16,333	5,760	54%
Grants and other contributions	18	439	7,662	7,223	1645%
Interest receipts		-	26	26	100%
GST input tax credits from ATO	19	217	9,963	9,746	4491%
GST collected from customers	19	(2,001)	2,362	4,363	(218%)
Advances from other agencies		-	1,190	1,190	100%
Other		76	944	868	1142%
<i>Outflows:</i>					
Employee expenses	20	(56,203)	(63,456)	(7,253)	13%
Supplies and services	21	(52,794)	(65,787)	(12,993)	25%
Grants and subsidies	22	(42,477)	(37,510)	4,967	(12%)
Finance/borrowing costs		(81)	(26)	55	(68%)
Insurance premiums		-	(31)	(31)	100%
GST paid to suppliers	19	998	(10,598)	(11,596)	(1162%)
GST remitted to ATO	19	(57)	(2,103)	(2,046)	3590%
Other		(242)	(166)	76	(31%)
Net cash provided by (used in) operating activities		18,000	18,399	399	2%
Cash flows from investing activities					
<i>Inflows:</i>					
Receipts from investments	23	-	1,598	1,598	100%
<i>Outflows:</i>					
Payments for property, plant and equipment		(45)	(174)	(129)	287%
Payments for intangibles	24	(840)	(1,768)	(928)	110%
Payments for investments	25	-	(2,735)	(2,735)	100%
Net cash provided by (used in) investing activities					
Net cash provided by (used in) investing activities		(885)	(3,079)	(2,194)	248%
Cash flows from financing activities					
<i>Inflows:</i>					
Equity injections		-	273	273	100%
Borrowings	26	-	2,735	2,735	100%
<i>Outflows:</i>					
Equity withdrawals	27	(21,614)	(14,310)	7,304	(34%)
Borrowing redemptions	28	(138)	(1,597)	(1,459)	
Net cash provided by (used in) financing activities		(21,752)	(12,899)	8,853	(41%)
Net increase/(decrease) in cash and cash equivalents		(4,637)	2,421	7,058	(152%)
Net cash transferred resulting from MoG changes		11,726	11,281	(445)	(4%)
Cash and cash equivalents at beginning of financial year		3,770	4,058	288	8%
Cash and cash equivalents at end of financial year		10,859	17,760	6,901	64%

**Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15**

28. Budget vs Actual Comparison (cont'd)

Statement of Cash Flows (cont'd)

17. Actual cash inflows for User charges and fees were higher than budget primarily due to higher than anticipated patronage of the Cultural Precinct car parks, increased utilities revenue from Arts Queensland owned building and higher than anticipated administration fees collected through higher than anticipated government advertising spend.
18. Actual cash inflows for Grants and other contributions were higher than budget primarily due to the additional funding obtained for the Queensland Health Renewal Taskforce (QHRT) that occurred post budget formation.
19. It is noted that previous budget practices did not quantify GST cash flow items to the same classifications as those required for statutory reporting purposes. Budget processes are being amended accordingly to ensure GST cash flow analysis between budget and actual results will occur for future years.
20. Actual cash outflows for Employee expenses were higher than budget primarily due to additional funding provided towards the following initiatives after formation of the budget: hosting the G20 and related G20 cultural program, activities focussed upon reducing Domestic and Family Violence, QHRT, whole-of-government Media Reporting Services, Our Community Newsletter, the Queensland Plan, transition to a new information and communication services provider, severance and contract termination payments, Anzac Centenary Commemoration projects, overheads associated with unplanned events and maintenance at the Cultural Centre Precinct and Commission of Inquiry into the 2011 Grantham Floods.
21. Actual cash outflows for Supplies and services were higher than budget primarily due to additional funding provided towards the following initiatives after formation of the budget: hosting the G20 and related G20 cultural program, activities focussed upon reducing Domestic and Family Violence, QHRT, Our Community Newsletter, transition to a new information and communication services provider, Cultural Centre Precinct repairs and maintenance and whole-of-government Media Reporting Services. These items represent \$11.02m of the variance.
22. Actual cash outflows for Grants and subsidies was lower than budget primarily due to the deferral of Anzac Centenary Coordination (ACC) grant payments to the following financial year.
23. Actual cash inflows from Investment receipts was higher than budget as cashflow budgets for Revolving Film Finance Fund (RFFF) activities were not developed due to the relative uncertain nature of these activities.
24. Actual cash outflows from Payments for intangibles was higher than budget primarily due to unplanned software expenditure in relation to the eLegislation project and the Queensland Health Taskforce Project server which was subsequently transferred to Queensland Health on 1 October 2014.
25. Actual cash outflows from Payments for investments was higher than budget due to not developing cash flow budgets for RFFF activities due to the relative uncertain nature of these activities.
26. Actual cash inflows from proceeds of Borrowings was higher than budget as cash flow budgets for RFFF activities were not developed due to the relative uncertain nature of these activities.
27. The decrease in Equity withdrawals is due to the department aligning cash transfers to the revised depreciation amounts.
28. Actual cash outflows from Borrowing redemptions was higher than budget as cashflow budgets for RFFF activities were not developed due to the relative uncertain nature of these activities.

**Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15**

28. Budget vs Actual Comparison (cont'd)

Administered Items

	Variance Notes	Adjusted Budget 2015 \$'000	Actual 2015 \$'000	Variance \$'000	Variance % of Budget
Administered Revenues					
Appropriation revenue	1	74,336	67,966	(6,370)	(9%)
Other revenue	2	-	1,145	1,145	100%
Total Administered Revenues		74,336	69,111	(5,225)	(8%)
Administered Expenses					
Employee expenses	3	28,930	27,508	(1,422)	(5%)
Supplies and services	4	16,622	12,898	(3,724)	(22%)
Grants and subsidies		28,279	28,340	61	0%
Depreciation and amortisation		363	226	(137)	(38%)
Other expenses		142	112	(30)	(21%)
Total Administered Expenses		74,336	69,084	(5,252)	(7%)
Operating Surplus/(Deficit)		-	27	27	-

Explanation of Major Variances

- Actual administered Appropriation revenue was lower than budget primarily due to savings from the reduction of Ministerial Offices on change of government and associated office efficiencies, as well as savings realised during the caretaker period and transition to the new government. Additionally, expenditure anticipated in 2014-15 for the Queensland Family and Child Commission to undertake public education, an evaluation framework and implementation of a new records management system will now take place in 2015-16. These items represent \$6.20m of the variance.
- Actual Other revenue is higher than budget is due the return of payments made to the Queensland Family and Child Commission to undertake public education, an evaluation framework and implementation of a new records management system that will now take place in 2015-16.
- Actual Employee expenses were lower than budget primarily due to savings associated with the reduction of ministerial offices as a result of the change in government, and offset by superannuation payments to the former Governor. These items represent \$1.42m of the variance.
- Actual Supplies and services were lower than budget primarily due to savings associated with the reduction of Ministerial Offices on change of government and associated office efficiencies as well as savings realised during the caretaker period and transition to the new government. These items represent \$3.4m of the variance.

Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15

28. Budget vs Actual Comparison (cont'd)

Administered Items (cont'd)

	Variance Notes	Adjusted Budget 2015 \$'000	Actual 2015 \$'000	Variance \$'000	Variance % of Budget
Administered Assets					
Current					
Cash and cash equivalents	5	9,867	6,545	(3,322)	(34%)
Receivables	6	587	3,478	2,891	493%
Other current assets		49	22	(27)	(55%)
Total Current Assets		10,503	10,045	(458)	(4%)
Non-current					
Property, plant and equipment	7	778	568	(210)	(27%)
Total Non-current Assets		778	568	(210)	(27%)
Total Assets		11,281	10,613	(668)	(6%)
Administered Liabilities					
Current					
Payables		826	902	76	9%
Accrued employee benefits		762	1,114	352	46%
Total Current Liabilities		1,588	2,016	428	27%
Non-current					
Accrued employee benefits	8	5,373	3,681	(1,692)	(31%)
Total Non-current Liabilities		5,373	3,681	(1,692)	(31%)
Total Liabilities		6,961	5,697	(1,264)	(18%)
Net Administered Assets		4,320	4,916	596	14%
Administered Equity					
Contributed equity		3,712	4,211	499	13%
Retained Surplus		608	705	97	16%
Total Administered Equity	9	4,320	4,916	596	14%

Explanation of Major Variances

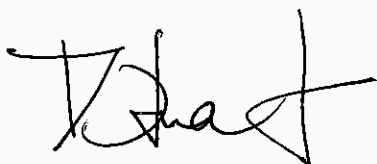
- A reduction in Cash and cash equivalents following severance payments associated with a change in government, representing \$3.32m of the variance which is immaterially offset by timing differences associated with operating expenditure payments.
- The increase in current Receivables is due to appropriation owed following the uptake of severance liabilities associated with the new government offset by movements from budgeted trend closing balances.
- Actual Property, plant and equipment is lower than budget primarily due to a reduction of Ministerial Offices on change of government representing \$0.20m of the variance.
- Actual non-current Accrued employee benefits is lower than budget reflecting the recalculation of severance benefits following the change of government.
- Actual Administered equity is higher than budget due to surpluses retained for future unanticipated events.

Department of the Premier and Cabinet
Notes to and Forming Part of the Financial Statements 2014-15

Certificate of the Department of the Premier and Cabinet

These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), relevant sections of the *Financial and Performance Management Standard 2009* and other prescribed requirements. In accordance with section 62(1) (b) of the Act we certify that in our opinion:

- a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects;
- b) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Department of the Premier and Cabinet for the financial year ended 30 June 2015 and of the financial position of the department at the end of that year;
- c) these assertions are based on an appropriate system of internal controls being effective, in all material respects, with respect to financial reporting throughout the reporting period; and
- d) management is aware of some weaknesses relating to risk management, however in all material respects the true and fair view of the financial statements is not affected.



Dave Stewart
Director-General

25 August 2015



Justin Muller FCPA
Chief Finance Officer

25 August 2015

INDEPENDENT AUDITOR'S REPORT

To the Accountable Officer of Department of the Premier and Cabinet

Report on the Financial Report

I have audited the accompanying financial report of Department of the Premier and Cabinet, which comprises the statement of financial position and statement of assets and liabilities by major departmental services, CBUs and SSPs as at 30 June 2015, the statement of comprehensive income, statement of changes in equity, statement of cash flows and statement of comprehensive income by major departmental services, CBUs and SSPs for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the certificates given by the Director-General and Chief Finance Officer of the Department.

The Accountable Officer's Responsibility for the Financial Report

The Accountable Officer is responsible for the preparation of the financial report that gives a true and fair view in accordance with prescribed accounting requirements identified in *the Financial Accountability Act 2009 and the Financial and Performance Management Standard 2009*, including compliance with Australian Accounting Standards. The Accountable Officer's responsibility also includes such internal control as the Accountable Officer determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the Auditor-General of Queensland Auditing Standards, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Accountable Officer, as well as evaluating the overall presentation of the financial report including any mandatory financial reporting requirements approved by the Treasurer for application in Queensland.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

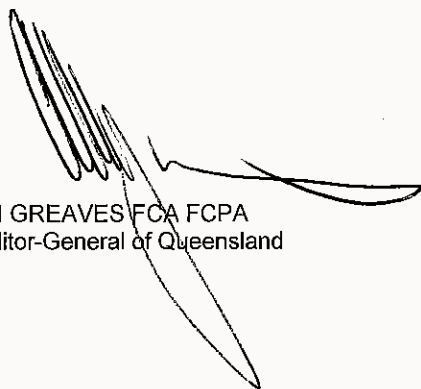
Opinion

In accordance with s.40 of the *Auditor-General Act 2009* –

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion –
- (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards, of the transactions of the Department of the Premier and Cabinet financial year 1 July 2014 to 30 June 2015 and of the financial position as at the end of that year.

Other Matters - Electronic Presentation of the Audited Financial Report

Those viewing an electronic presentation of these financial statements should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.



A M GREAVES FCA FCPA
Auditor-General of Queensland



Queensland Audit Office
Brisbane

Compliance checklist

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	A letter of compliance from the accountable officer or statutory body to the relevant Minister/s	ARRs – section 8	Letter of compliance
Accessibility	Table of contents	ARRs – section 10.1	Contents
	Glossary		Glossary
	Public availability	ARRs – section 10.2	Communication objective
	Interpreter service statement	<i>Queensland Government Language Services Policy</i> ARRs – section 10.3	Communication objective
	Copyright notice	<i>Copyright Act 1968</i> ARRs – section 10.4	Copyright
	Information Licensing	<i>QGEA – Information Licensing</i> ARRs – section 10.5	Communication objective
General information	Introductory Information	ARRs – section 11.1	Director-General's report
	Agency role and main functions	ARRs – section 11.2	DPC's roles and functions Legislation
	Operating environment	ARRs – section 11.3	Director-General's report
	Machinery of government changes	ARRs – section 11.4	Director-General's report
Non-financial performance	Government's objectives for the community	ARRs – section 12.1	Director-General's report Government objectives for the community
	Other whole-of-government plans/specific initiatives	ARRs – section 12.2	DPC's roles and functions
	Agency objectives and performance indicators	ARRs – section 12.3	2014–18 Strategic Plan Our achievements
	Agency service areas and service standards	ARRs – section 12.4	Our achievements
Financial performance	Summary of financial performance	ARRs – section 13.1	Financial summary
Governance – human resources	Workforce planning and performance	ARRs – section 16.1	Our people
	Early retirement, redundancy and retrenchment	Directive No.11/12 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 16.2	Our people

Summary of requirement		Basis for requirement	Annual report reference
Governance – management and structure	Organisational structure	ARRs – section 14.1	DPC’s roles and functions
	Executive management	ARRs – section 14.2	Corporate support functions Our executive leaders
	Government bodies (statutory bodies and other entities)	ARRs – section 14.3	Government bodies
	<i>Public Sector Ethics Act 1994</i>	<i>Public Sector Ethics Act 1994</i> ARRs – section 14.4	Our people
Governance – risk management and accountability	Risk management	ARRs – section 15.1	Corporate support functions Risk management
	External scrutiny	ARRs – section 15.2	Corporate support functions External scrutiny
	Audit committee	ARRs – section 15.3	Audit and Risk Management Committee
	Internal audit	ARRs – section 15.4	Corporate support functions Internal audit
	Information systems and recordkeeping	ARRs – section 15.5	Corporate support functions Recordkeeping Business systems
Open Data	Consultancies	ARRs – section 17 ARRs – section 34.1	Additional information Consultancies
	Overseas travel	ARRs – section 17 ARRs – section 34.2	Additional information Overseas travel
	Queensland Language Services Policy	ARRs – section 17 ARRs – section 34.3	Additional information Queensland Language Services Policy
	Government bodies	ARRs – section 17 ARRs – section 34.4	Additional information Government bodies
Financial statements	Certification of financial statements	FAA – section 62 FPMS – sections 42, 43 and 50 ARRs – section 18.1	Financial statements
	Independent Auditors Report	FAA – section 62 FPMS – section 50 ARRs – section 18.2	Financial statements
	Remuneration disclosures	Financial Reporting Requirements for Queensland Government Agencies ARRs – section 18.3	Financial statements

Glossary of terms

ACPA	Aboriginal Centre for the Performing Arts Pty Ltd
ACQGWG	Anzac Centenary Queensland Government Working Group
ANSZOG	Australia and New Zealand School of Government
ARMC	Audit and Risk Management Committee
ARRs	Annual Report Requirements for Queensland Government Agencies
BYOD	Bring Your Own Device
CAA	Corporate Administration Agency
CAD	Computer-Aided Design
CEO	Chief Executive Officer
CFO	Chief Finance Officer
CGG	Corporate Governance Group
CoA	Commission of Audit
COAG	Council of Australian Governments
CQC	Celebrate Queensland Committee
CRM	Client Relationship Management
DISITIA	Department of Science, Information Technology, Innovation and the Arts
DPC	Department of the Premier and Cabinet
eDRMS	Electronic Document and Records Management System
EEDA	East of England Development Agency
EOS	Employee Opinion Survey
FAA	Financial Accountability Act 2009
FLP	Fundamental Legislative Principles
FPMS	Financial and Performance Management Standard 2009
FTE	Full-time equivalent
G20	Group of Twenty
GBR	Great Barrier Reef
GES	Government and Executive Support
GST	Goods and Services Tax
HPRM8	Hewlett Packard Records Management 8
HP TRIM	Hewlett Packard Total Records and Information Management

ICT	Information and communication technology
LDeP	Legislative Drafting and e-Publishing
MBF	Major Brisbane Festival
MIPSE	Managing the Public Sector Environment
MOHRI	Minimum Obligatory Human Resource Information
MP	Member of Parliament
NAIDOC	National Aboriginal and Islander Day Observance Committee
NQ	North Queensland
OMGIA	Outlaw Motorcycle Gang Investigator's Association
OQPC	Office of the Queensland Parliamentary Counsel
PACCS	Policy Advice, Coordination and Cabinet Support
PIMS	Performance Information Management System
PSC	Public Service Commission
QACCAC	Queensland Advisory Committee of the Commemoration of the Anzac Centenary
QAG	Queensland Art Gallery
QAO	Queensland Audit Office
QMF	Queensland Music Festival
QPAT	Queensland Performing Arts Trust
QTC	Queensland Theatre Company
QT	Queensland Treasury
QuILLS	Queensland Integrated Legislation Lifecycle System
QVAC	Queensland Veterans' Advisory Council
SAP	Systems Applications Products
SLAs	Service Level Agreements
SMS	Short Messaging Service
SQ	Screen Queensland
TAFE	Technical and Further Education
UK	United Kingdom
UNESCO	United National Educational, Scientific and Cultural Organisation
WHC	World Heritage Committee
XML	eXtensible Markup Language

Statutory bodies

As part of the Premier's portfolio, the following entities provide their annual report as indicated:

Name of body	Constituting	Annual Report arrangements
Aboriginal Centre for the Performing Arts Pty Ltd	<i>Corporations Act 2001 (Cth)</i>	Separate Annual Report prepared
Board of the Queensland Museum	<i>Queensland Museum Act 1970</i>	Separate Annual Report prepared
Major Brisbane Festivals Pty Ltd	<i>Corporations Act 2001 (Cth)</i>	Separate Annual Report prepared
Office of the Governor	<i>Constitution of Queensland 2001</i>	Separate Annual Report prepared
Public Service Commission	<i>Public Service Act 2008</i>	Separate Annual Report prepared
Queensland Art Gallery Board of Trustees	<i>Queensland Art Gallery Act 1987</i>	Separate Annual Report prepared
Queensland Audit Office	<i>Auditor-General Act 2009</i>	Separate Annual Report prepared
Queensland Family and Child Commission	<i>Family and Child Commission Act 2014</i>	Separate Annual Report prepared
Queensland Independent Remuneration Tribunal	<i>Queensland Independent Remuneration Tribunal Act 2013</i>	Separate Annual Report prepared
Queensland Integrity Commissioner	<i>Integrity Act 2009</i>	Separate Annual Report prepared
Queensland Music Festival Pty Ltd	<i>Corporations Act 2001 (Cth)</i>	Separate Annual Report prepared
Queensland Performing Arts Trust	<i>Queensland Performing Arts Trust Act 1977</i>	Separate Annual Report prepared
Queensland Theatre Company	<i>Queensland Theatre Company Act 1970</i>	Separate Annual Report prepared
Office of the Queensland Parliamentary Counsel	<i>Legislative Standards Act 1992</i>	Included in DPC's Annual Report
Screen Queensland Pty Ltd	<i>Corporations Act 2001 (Cth)</i>	Separate Annual Report prepared

Legislation

Administered through DPC on behalf of the Premier as at 30 June 2015

Assisted Students (Enforcement of Obligations) Act 1951

Auditor-General Act 2009

Australian Constitutions Act 1842 (Imperial)

Australian Constitutions Act 1844 (Imperial)

Australian Waste Lands Act 1855 (Imperial)

Century Zinc Project Act 1997 (ss1-4, 5(1), 8, 18-20)

Commonwealth Powers (Air Transport) Act 1950

Constitution Act 1867

Constitution Act Amendment Act 1890

Constitution Act Amendment Act 1934

Constitution of Queensland 2001

Constitutional Powers (Coastal Waters) Act 1980

Emblems of Queensland Act 2005

Family and Child Commission Act 2014

Governors (Salary and Pensions) Act 2003

Integrity Act 2009

Legislative Standards Act 1992

Ministerial and Other Office Holder Staff Act 2010

Offshore Facilities Act 1986

Parliament of Queensland Act 2001

Parliamentary Service Act 1988

Queensland Art Gallery Act 1987

Queensland Boundaries Declaratory Act 1982

Queensland Coast Islands Act 1879

Queensland Independent Remuneration Tribunal Act 2013

Queensland International Tourist Centre Agreement Act Repeal Act 1989

Queensland Museum Act 1970

Queensland Performing Arts Trust Act 1977

Queensland Plan Act 2014

Queensland Theatre Company Act 1970

Reprints Act 1992

Schools of Arts (Winding Up and Transfer) Act 1960

Schools of Arts (Winding Up and Transfer) Act Amendment Act 1981

Senate Elections Act 1960

Statute of Westminster 1931 (Imperial)

Statute of Westminster Adoption Act 1942 (Cth)

Statutory Instruments Act 1992

