

ANNUAL REPORT 2021–2022



We pay our respects to Traditional Owners – their ancestors and elders past, present and emerging

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Letter of compliance

September 2022

The Honourable Stirling Hinchliffe MP
Minister for Tourism, Innovation and Sport and
Minister Assisting the Premier on Olympics and Paralympics Sport and Engagement
1 William Street
Brisbane Qld 4000

Dear Minister

I am pleased to submit for presentation to the Parliament, the *Annual Report 2021–2022* and financial statements for the Department of Tourism, Innovation and Sport (DTIS).

This report is prepared on the basis of the current administrative arrangements for this agency applying for the whole of the 2021–2022 financial year. That is, it reflects the structure, operations and performance of DTIS as it now exists.

I certify that this annual report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*
- the detailed requirements set out in the *Annual report requirements for Queensland Government agencies*.

A checklist outlining the Queensland Government's annual reporting requirements is included in Appendix 3 of this report.

Yours sincerely

Andrew Hopper
Acting Director-General
Department of Tourism, Innovation and Sport

Message from the Acting Director-General

DTIS is comprised of engaged and passionate professionals committed to championing and growing our visitor and future economies as well as achieving outcomes for our sport and active recreation sectors.

The focus of Team DTIS is simple – drive action to make Queensland communities healthier, stronger and more resilient.

Throughout 2021–2022, we saw positive signs of recovery within the tourism, innovation, sport and active recreation industries – though we recognise that many businesses continue to face challenges with the rolling impacts of COVID-19, including workforce and supply shortages.

DTIS continues to support the growth of the visitor economy and associated industries here in Queensland. We are focused on future proofing the industry, learning from the advice and recommendations of the Tourism Industry Reference Panel's *Interim Action Plan for Tourism Recovery*. The final Action Plan titled *Towards 2032: Reshaping Queensland's visitor economy to welcome the world* will now set the recovery course for the industry for the next decade and beyond.

In partnership with Queensland's international airports and industry, DTIS is delivering a \$100 million funding boost to the Attracting Aviation Investment Fund which will be matched dollar for dollar by airports and industry. This \$200 million in funding recognises that airports and aviation are major drivers of regional economies and tourism throughout our large state.

We continue to celebrate the achievements of Advance Queensland which, with its partners, has invested more than \$1.7 billion in Queensland since 2015, backing more than 7800 innovation projects and supporting more than 28,000 new Queensland jobs. The new *Advance Queensland Innovation for a Future Economy 2022–2032 Roadmap* will continue to drive a strong, resilient and inclusive Queensland economy.

Our ongoing commitment to Advance Queensland is to build on existing achievements, support the state's return to growth and position Queensland for a future economy that is smart, sustainable and globally competitive.

While the last year has seen our continued focus on supporting the tourism, innovation and sport sectors, DTIS' collective efforts are well placed to assist with the delivery and success of the Brisbane 2032 Olympic and Paralympic Games.

Queensland has a runway like no other – we anticipate many thousands of international visitors heading our way; many years of sport training programs in our regions; as well as offering more opportunities for Queensland researchers, innovators and businesses – for the decades leading into and following Brisbane 2032.

This runway reflects and strengthens our commitment to enhancing physical activity opportunities for all people, regardless of age, ability or background through *Activate! Queensland 2019–2029*, a 10-year strategy to enrich the Queensland way of life through physical activity. This report celebrates the achievements of the first three-year action plan, *Our Active8 2019–2022*, as we now look forward to the second three-year action plan, *Accelerate 2022–2025*.

The *2032 High Performance Strategy* is the first high performance sport strategy for Queensland to focus the state's efforts on preparing elite athletes to be podium ready for Brisbane 2032. It has reformed the way the Queensland Government invests in high performance sport by adopting a more evidence-based and targeted approach.

I am grateful to the department's dedicated staff who consistently kick goals for Queensland.

Andrew Hopper

Acting Director-General

Part one

About us

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Vision and purpose

Our vision is to enrich the lives of Queenslanders by maximising our visitor and innovation economies and supporting healthy and active lifestyles.

Our purpose is to support the transformation of the Queensland economy by:

- enabling a more competitive and resilient visitor economy
- enabling a thriving economy through innovation
- improving health and wellbeing outcomes through the sport and active recreation industry
- inspiring extraordinary sporting success.

Delivering for the community

During 2021–2022, we contributed to the following Queensland Government objectives for the community through implementation of the *DTIS Strategic Plan 2021–2025*.



Safeguarding our health



Supporting jobs



Backing small business



Growing our regions

| | Strategic objectives | Service areas |
|--|---|---|
| | Drive economic recovery and growth by attracting and amplifying tourism and innovation investment to sustain and create Queensland jobs | Advancing Queensland through Innovation Tourism Industry Development |
| | Maximise benefits of tourism, major events and sport and active recreation experiences to realise Queensland's economic potential. | Tourism Industry Development Sport and Recreation |
| | Enrich Queensland's way of life by delivering health and social outcomes through sport and active recreation opportunities. | Sport and Recreation |
| | Create a diverse, productive and sustainable economy for a fairer Queensland | Advancing Queensland through Innovation Tourism Industry Development Sport and Recreation |

Within DTIS, organisational excellence and high performance is underpinned and assured by quality corporate services that help drive achievement of strategic and operational objectives.

Throughout 2021–2022, we continued to focus on supporting the tourism and sport and active recreation sectors, driving innovation across the economy, and assuring readiness to respond to changing circumstances.

We have a clear view of the long-term strategies we will implement to drive long-term recovery and a sustainable return to strong economic growth for Queensland.

Our leaders

John Lee, Director-General

In his role as the Director-General during 2021–2022, John led the government’s work to deliver a strong Queensland economy through championing for the tourism, innovation, sport and recreation sectors.

John was also a member of the Brisbane 2032 Olympic and Paralympic Candidature Executive Group, liaising with key stakeholders and providing advice to the Premier, Minister and across key agencies.

John led the government’s work and support to rebuild Queensland’s tourism industry and the wider visitor economy. This involves a mix of tactical measures and long-term strategies including *Towards 2032: Reshaping Queensland’s visitor economy to welcome the world*. He sat on the Board of Tourism and Events Queensland to provide similar support and direction through this committee.

In the area of sport and active recreation, John oversaw government investment in infrastructure, major events, key venues and support for the state’s elite athletes. He was the Deputy Chairperson of the Board of Health and Wellbeing Queensland and also oversaw the delivery of *Activate! Queensland 2019–2029* (Activate! Queensland), investing \$1.3 billion over 10 years to encourage Queenslanders to join in physical activity.

John has enjoyed a highly successful career working in government, tourism, sport, major events and transport. He has extensive experience in sports administration, having run a national sporting organisation (Australian Sailing) and two National Rugby League Clubs (Sydney Roosters and South Sydney Rabbitohs). John is recognised for his leadership skills, strategic thinking, commercial acumen, and strong communication skills.

Jeffrey McAlister, Deputy Director-General, Tourism Infrastructure and Investment

Jeff leads the department’s tourism infrastructure and investment effort, focused on ensuring Queensland plans, attracts, and builds tourism infrastructure for the future success of Queensland’s visitor economy, including key ecotourism and Great Barrier Reef Island Resort projects.

Jeff previously worked in the Northern Territory as Director-General for International Engagement, Trade and Investment where he helped the private sector to diversify the Territory’s export base, attracted investors for major projects, and refocused strategic engagement with overseas partners.

Prior to the Northern Territory, Jeff worked for the New Zealand Government mostly in international trade and investment roles, lastly as the Head of NZ Inc in Brazil, where he facilitated major two-way investments in agribusiness and gas, and trebled New Zealand exports.

Andrew Hopper, Deputy Director-General, Tourism Recovery, Olympic Engagement and Legacy

Andrew is the champion for Queensland’s visitor economy, bringing *Towards 2032: Reshaping Queensland’s visitor economy to welcome the world* to life and working in lockstep with TEQ as well as industry.

Andrew also leads the department’s delivery of legacy and engagement for the Brisbane 2032 Olympic and Paralympic Games.

Prior to taking up this role with the department, Andrew spent more than six years in executive roles in the Northern Territory, most recently as the Deputy Chief Executive Officer in the Department of Industry, Tourism and Trade, leading the teams at Tourism NT (including StudyNT), Screen Territory and Liquor, Racing and Gaming.

With an extensive background leading high performing teams in the tourism, major events, entertainment, sport and cultural industries in Australia and internationally, Andrew has led teams to deliver an increase in visitation, industry investment, successful major events, and projects.

Having worked in both the public and private sectors, Andrew is well versed in working with stakeholders to find

new ways of working together while overcoming roadblocks along the way.

Lea Diffey, Deputy Director-General, Innovation

Lea leads the department's Innovation portfolio, which is responsible for supporting innovative practice across government. She also leads the Advance Queensland initiative to foster innovation and entrepreneurialism, capitalise on our natural advantages, and help raise Queensland's profile as an attractive investment destination.

Prior to working in the department, Lea led Science Development for the Queensland Government. She has a long history in sustainable land management, working across portfolios for agriculture, natural resource management, the Great Barrier Reef and environmental management. Lea aims to bring together science and innovation, with policy and outcomes for business.

Andrew Sly, Deputy Director-General, Sport and Recreation and Deputy Director-General, Corporate Services

With more than 20 years' leadership experience, Andrew leads DTIS' Sport and Recreation and Corporate Services divisions.

Andrew successfully led the delivery of *Our Active8 2019–2022*, the first three-year action plan under the government's 10-year sport and recreation strategy *Activate! Queensland*. He has also led the development and implementation of the second action plan, *Accelerate 2022–2025*.

Andrew concurrently leads the Corporate Services division in provision of quality corporate functions to the department, harnessing strong partnerships with other divisions to enable achievement of the department's strategic objectives.

Andrew's previous experience includes program management, planning and investment and delivery of key sporting capital projects and the operations of the Queensland Active Precincts. He has executive experience in Economic Development Queensland, where he led the facilitation and delivery of projects and programs throughout Queensland.

He is an advocate of the importance of physical literacy, community-based sport and active recreation and pathway opportunities and providing inclusive, quality opportunities to be active.

Chelsea Warr, Chief Executive, Queensland Academy of Sport (QAS)

Chelsea is an experienced leader in driving transformational change within high performance sporting organisations. As leader of the department's high performance sport unit, QAS, Chelsea is responsible for supporting the performance of Queensland's most talented athletes.

Prior to her position as Chief Executive, Chelsea held the position of Director of the Great Britain High Performance system, where her primary objective was to drive the strategic development of the elite system to ensure sustained medal winning success. Over a 20-year period, she played a pivotal leadership role enabling Great Britain to progress from 36th on the medal table in Atlanta 1996, to second in the world by Rio 2016.

Chelsea's goals for the QAS are that, through its delivery of expert services to our elite athletes, Queensland becomes a sporting powerhouse, especially within the context of the Brisbane 2032 Olympic and Paralympic Games.

Our divisions and services

Tourism Infrastructure and Investment Division

The Tourism Infrastructure and Investment Division works closely with the private sector and across government to plan and build key tourism infrastructure for Queensland. The division attracts, facilitates, and supports world-class tourism infrastructure and investment from concept to construction, to deliver a modern, competitive and diverse visitor economy.

Key projects currently being delivered include Great Keppel Island rejuvenation, the Minjerrabah Futures program, significant ecotrails such as Wangetti, Cooloola and Paluma to Wallaman Falls, and rebuilding Binna Burra Lodge.

Tourism Recovery and Olympic Engagement and Legacy Division

The Tourism Recovery, Olympic Engagement and Legacy Division drives the re-establishment and ultimate growth of the Queensland tourism industry and is the government's first advisor on tourism and aviation. It works closely with the private sector, industry representatives and peak bodies and across agencies to support and grow the state's visitor economy.

The division takes carriage of the Queensland Government's response to the Industry Reference Panel's Action Plan for Tourism Recovery to navigate how the industry will grow as it emerges from the impacts of COVID-19 and to support the livelihoods of people employed in the tourism industry. As the industry grows following post pandemic closures, the division is working to make the most of Queensland's advantage to become the must visit destination for visitors near and far in the lead up to and post the Brisbane 2032 Olympic and Paralympic Games.

The Olympic Engagement and Legacy team are the enablers to drive the Queensland Government's once in a lifetime opportunity to optimise the delivery of long-term economic, social, and environmental opportunities in the 10 years leading up to and beyond the Brisbane 2032 in collaboration with Brisbane 2032 Games delivery partners.

The division also incorporates the department's Communications and Media Services unit.

Innovation Division

The Innovation Division is responsible for leading and supporting innovative practice across government and leading the Advance Queensland initiative, including delivery of the *Advance Queensland Innovation for a Future Economy 2022–2032 Roadmap*. The division drives sustainable economic growth and job creation through innovation in our traditional and emerging strengths; harnesses Queensland's research strengths and entrepreneurship to encourage new industries; and uses new technology, new skills, capital and ideas to support business and industry creation and global connections.

Sport and Recreation Division

Sport and Recreation delivers on strategies to enrich the Queensland way of life through physical activity, harnessing the pride of our great sporting traditions and building on our strong community foundations to deliver better health and wellbeing outcomes.

The division supports participation through:

- grant funding for sport and active recreation clubs, competition participation, events, state level organisations, infrastructure and infrastructure planning
- high quality sport, recreation, venue and accommodation experiences
- promotional campaigns.

The division leads the delivery of *Activate! Queensland* and has just completed the first multi-year action plan, *Our Active8 2019–2022*, and development of the second action plan, *Accelerate 2022–2025*.

Queensland Academy of Sport

The QAS delivers world-leading high performance support services to more than 450 of Queensland’s most promising athletes to enable their podium success on the world stage. QAS has state-of-the-art Olympic and Paralympic training facilities at the Queensland Sports and Athletics Centre and the Sleeman Sports Complex in Brisbane along with performance hubs on the Gold Coast and Sunshine Coast.

The QAS supports in-house squad programs, partnership programs with State and National Sporting Organisations, and scholarships for individuals on medal-winning trajectories for international success.

The QAS has a bold *2032 High Performance Strategy* to enable more medal-winning moments by Queensland athletes, ultimately inspiring the state and the nation ahead of the backdrop of a home Games in Brisbane 2032.

Corporate Services

Corporate Services delivers quality corporate functions to the department. The division harnesses strong partnerships with divisions to enable achievement of DTIS’ strategic objectives and to ensure that the Queensland Government’s objectives for the community are delivered in line with legislation and whole-of-government priorities, policies, frameworks, financial controls and best practices.

The division:

- assures robust and compliant enterprise policy, planning and performance management activities
- increases accountability through ethical decision-making and effective risk management
- provides financial and procurement management to ensure budgetary and contractual arrangements are suitable to deliver departmental priorities
- protects the confidentiality, integrity and availability of information assets through the management of information security risks
- enables the workforce to perform at the highest level through strong collaboration, knowledge sharing, development opportunities, recognition and reward.

Our structure

| Director-General | | | | | |
|---------------------------------------|---|---|--|--|----------------------------------|
| Tourism Infrastructure and Investment | Tourism Recovery, Olympic Engagement and Legacy | Innovation | Sport and Recreation | Queensland Academy of Sport | Corporate Services |
| Infrastructure Development | Industry Development | Innovation Engagement and Delivery | Service Delivery and Support | Talent and Coaching | Governance, Performance and Risk |
| Tourism Investment Attraction | Policy, Partnerships and Events | Innovation Strategy | Infrastructure and Precincts | High Performance Programs | Finance and Procurement Services |
| State Projects | Communication and Media Services Olympic Engagement and Legacy | Office of the Queensland Chief Entrepreneur | Partnerships, Strategy and Development | Performance Support | Human Resources |
| | | | Elite Success and Partnerships | Performance Partnerships | Legal Services |
| | | | | Business Operations and Performance Strategy | |

Strategic risks and opportunities

Over the past financial year, we assured delivery of services and support to Queenslanders through managing and mitigating the following departmental strategic risks:

- Major disaster and uncontrollable events may cause a sustained downturn in visitation and investment attraction, and impede participation in sport and active recreation.
- Changing social and economic conditions may impact on the recovery and long-term growth of the visitor economy, innovation success, and sport and active recreation industry.
- Changing customer and investor expectations, and disrupted supply chains may change the demand for Queensland innovation investment, visitor and sport and active recreation experiences.
- Increasing sophistication of cyber security attacks may result in breaches of the department's systems and data.

We embraced the following departmental strategic opportunities to maximise benefits for Queenslanders:

- Strengthen partnerships (including with investors, industry and corporates, Indigenous and small businesses) to continue driving industry diversification, inclusion and resilience.

- Use major events to provide a lasting economic, tourism, sport and active recreation legacy for the state.
- Develop elite athletes who inspire and connect with their communities, to create the next generation of champions and healthier communities through increased participation in sport.
- Work to our strengths to deliver a prioritised program of work focused on achieving outcomes benefiting Queenslanders.
- Leverage our staff's talents and skills to raise capability across the department and increase functional and process maturity.
- Exploit opportunities to work across the department and whole-of-government to collaborate and achieve outcomes for Queenslanders.
- Make the most of advances in technology and continue to take up digital ways of working as a department.

During 2021–2022, our Executive Leaders collaborated through several strategic planning, risk and opportunity workshops. The focus of these workshops was to reaffirm our shared vision of strategic priorities, objectives and outcomes, and place a necessary spotlight on maturing strategic risk and opportunity management activities.

Whole-of-government plans and specific initiatives

- *Activate! Queensland 2019–2029*
- *Building our Innovation Economy – Advance Queensland Strategy*
- *Deadly Innovation Strategy*
- Queensland's Economic Recovery Plan: *Unite and Recover for Queensland Jobs*
- Aboriginal and Torres Strait Island Cultural Capability Action Plan
- Disability Service Plan
- Emergency Management Plan
- Information Security Management System
- Procurement Framework
- Waste Reduction and Recycling Plan

Our portfolio partners

In addition to DTIS, the following statutory bodies comprise the portfolio of the Minister for Tourism, Innovation and Sport and Minister Assisting the Premier on Olympics and Paralympics Sport and Engagement:

Tourism and Events Queensland (TEQ) is the state's lead tourism marketing, destination and experience development, and major events agency. TEQ works closely with DTIS, and partners with industry to generate consumer demand, attract and promote major events, support tourism experience and destination development, and provide support and leadership to Queensland's tourism industry.

Stadiums Queensland develops, manages, maintains and promotes major facilities in Queensland for the staging of sport, recreational or entertainment events, to encourage physical activity, drive major event-related tourism and create jobs for Queenslanders.

Mt Gravatt Showgrounds Trust implements strategy for the development and use of the showgrounds in consideration of community needs, including showground, park and recreation purposes.

Study Queensland reports through Trade and Investment Queensland to the Minister for Tourism, Innovation and Sport and Minister Assisting the Premier on Olympics and Paralympics Sport and Engagement. Study Queensland leads whole-of-government efforts to support recovery and future growth of the state's international education and training (IET) sector. Through delivering the *International Education and Training Strategy to Advance Queensland 2016–2026*, Study Queensland aims to grow IET, particularly in the regions, and enhance the state's reputation as a leading provider.

Further information about our partners, including their annual reports, is available on their respective websites:

www.teq.queensland.com

www.stadiums.qld.gov.au

www.mtgravattshowgrounds.org.au

www.tiq.qld.gov.au (for more information about Study Queensland).

Part two

Our achievements

- 16** TOURISM INDUSTRY DEVELOPMENT
- 20** ADVANCING QUEENSLAND THROUGH INNOVATION
- 23** SPORT AND RECREATION
- 26** QUEENSLAND ACADEMY OF SPORT

Tourism Industry Development

The objective of this service area, which is delivered across two divisions (Tourism Infrastructure and Investment and Tourism Recovery, Olympic Engagement and Legacy), is to promote long-term growth of the tourism industry by facilitating a strategic whole-of-government approach to planning and investment in the state's tourism infrastructure, assets and products and the coordination and leveraging of key major events to generate jobs.

| Service standards | 2021–2022 | 2021–2022 |
|--|---------------|------------------|
| | Target | Actual |
| Effectiveness measure | | |
| Amount of additional capital attracted into tourism investment ¹ | \$190 million | \$360.15 million |
| Efficiency measure | | |
| Ratio of tourism investment attraction costs to the value of direct capital attracted ¹ | \$1:\$168 | \$1:\$526 |

Notes:

1. The variance between the 2021–2022 Target/Estimate and 2021–2022 Estimated Actual is due to the timing of tourism infrastructure project completions and, as a result, the fluctuating realisation of tourism infrastructure investment (investment only realised when projects are complete and operational). For 2021–2022, the variance is largely attributed to a significant infrastructure project on the Gold Coast (Jewel Hotel and Residences), which received initial investment in 2014 with completion delayed due to various factors.

Objective

Drive economic recovery and growth by attracting and amplifying tourism and innovation investment to sustain and create Queensland jobs



Performance indicator

Estimated number of Queensland jobs supported through tourism and innovation projects

Sustained private sector investment in visitor economy infrastructure, products and experiences

Achievements

- Attracted \$360 million of new capital investment into Queensland tourism infrastructure.
- Continued to deliver the \$74 million Rebuilding Queensland Tourism program to activate tourism experiences, boost events and marketing, inject additional funding for Regional Tourism Organisations and future-proof the tourism industry, including \$7 million investment to support Queensland Government-owned convention and exhibition centres in Brisbane, Cairns and the Gold Coast to attract lucrative national business events.
- The \$7.5 million Work in Paradise program supported more than 3550 people to take tourism and hospitality jobs in regional Queensland.
- The \$3.5 million Great Barrier Reef (GBR) Education Experience Program with over 13,700 Queensland school students approved for the travel subsidy to the reef in the first year of the three-year program.
- The \$15 million Aviation Route Restart Program delivered 720,000 seats on 65 services to support an estimated 1641 jobs, and over \$200 million in overnight visitor expenditure.

- Delivered Round Two of the \$3 million COVID-19 Marine Tourism Assistance Scheme which supported 110 marine tourism vessel operators by offsetting the cost of berthing fees at privately-owned or privately-operated marinas in eligible local government areas.
- Delivered the Tourism and Hospitality Sector Hardship Program supporting more than 33,820 jobs through \$132.8 million grant funding to 3544 Queensland businesses. Businesses included tourism and hospitality operators and major tourism experiences facing significant financial hardship as a result of the COVID-19 pandemic.
- Continued to support the tourism industry through design and delivery of fit for purpose programs and initiatives targeting emerging challenges and opportunities, including the Tourism Business Counselling Service and delivery of the accessible tourism pilot project, assessing the accessibility of tourism destinations and businesses for visitors with specific needs.
- Facilitated the resumption of the cruise industry in Australia, working in partnership with Queensland Health and other jurisdictions to develop protocols, guidelines, and operational arrangements.
- Provided direct support and advice to the Tourism Industry Reference Panel in developing and releasing the Interim Action Plan for Tourism Recovery and actioning all associated recommendations within 100 days of release.
- Led the \$100 million boost to the Attracting Aviation Investment Fund, the largest investment of any Australian state or territory, to secure inbound international flights after COVID-19. Funding will be matched dollar-for-dollar by Queensland’s four largest airports to rebuild the state’s international tourism industry. The investment is predicted to deliver up to 5.3 million airline seats per year, generating almost \$4 billion.
- Delivered the GBR Island Resorts Rejuvenation Program, which leveraged \$27 million in private investment to deliver improved sustainability practices, removal of legacy waste and enhanced infrastructure for locals and visitors on eleven GBR islands.
- Completed the final project of the Whitsundays Cyclone Debbie Tourism Recovery Fund, with the project’s official opening occurring on 29 October 2021.
- Worked in liaison with Queensland Health to assist more than 1200 tourism businesses to comply with Public Health Directives and provide advice on COVID-19 safe planning for businesses and events.

Objective

Maximise benefits of tourism, major events and sport and active recreation experiences to realise Queensland's economic potential



Performance indicator

Recovery and growth of Queensland’s visitation numbers

Achievements

- Supported Queensland in hosting the 2021 NRL Finals Series including the NRL Grand Final held at Suncorp Stadium, the first to be played outside Sydney in 114 years. The Finals Series (including six games played in regional locations) generated \$15 million of economic benefits for Queensland.
- Queensland’s strong response to the COVID-19 pandemic enabled Queensland to host eight 2021 Rugby Championship matches, with double-headers featuring Australia, New Zealand, South Africa and Argentina played on the Gold Coast, Brisbane and in Townsville, with DTIS leading the bid for, and coordinating delivery of, these events.

- Continued the delivery of major tourism infrastructure programs worth \$143.13 million, including the Attracting Tourism Fund, Growing Tourism Infrastructure Fund (GTIF), Outback Tourism Infrastructure Fund and the Growing Indigenous Tourism in Queensland (GITQ) Fund. The funds delivered 44 projects which are forecast to deliver 878 jobs and are estimated to attract an additional 729,010 annual visitors spending \$130.05 million each year. Below are some highlighted projects enabled through these grant programs:
 - \$3 million towards the Reef Magic pontoon located on the outer GBR in Cairns, expected to deliver 46 jobs and attract an additional 18,000 visitors per year forecast to spend \$9.2 million in the local economy.
 - \$2.3 million towards reopening the Talaroo Hot Springs and accommodation offering by the Ewamian Aboriginal Corporation, expected to deliver 22 jobs and attract an additional 7000 visitors forecast to spend \$1.7 million in the remote Far North Queensland outback region.
 - \$3.2 million towards Dreamworld’s new ‘Steel Taipan’ rollercoaster opened in December 2021 and expected to deliver 230 jobs and an additional annual 250,000 visitors forecast to spend \$30.75 million in Queensland.
 - \$1.2 million towards the Bigger Big Rig and Tree Walk at Roma expected to deliver 17 jobs and attract an additional 31,000 annual visitors forecast to spend over \$3.3 million in Outback Queensland.
 - Bunya Bush University ‘In Country’ learning places opened to educate tourists and the community, supported by the GITQ Fund through construction of the ‘Dhakkin’ sculptural meetings ground and Bunya Genestreams Songline Sculpture.
- Continued to deliver the Wangetti Trail construction, including:
 - detailed design for the Wangetti South section of the trail
 - approval from the Commonwealth Government under the Environmental Protection and Biodiversity Conservation Act 1999
 - agreed and executed a Cultural Heritage Management Agreement with the Traditional Owners.
- Finalisation of the preliminary Business Case for the Paluma to Wallaman Falls Trail proposal.
- Sponsorship and facilitation assistance of the \$400,000 Cardwell Mountain Bike Hub Pump Track, which opened on 28 June 2022.

Objective

Create a diverse, productive and sustainable economy for a fairer Queensland



Performance indicator

Increased percentage (of the total Queensland tourism offering) of Indigenous, adventure, nature-based and ecotourism experiences

Achievements

- The GITQ Fund supported 33 Indigenous businesses to develop new business concepts and deliver new Indigenous tourism products and experiences.
- Twenty-eight Young Tourism Leaders were appointed in 2022 to engage with students across the state, share the story of their career journey, promote the diverse, exciting careers which tourism offers and provide insights on how to kick-start a career in tourism.
- Invested \$10 million in the Year of Indigenous Tourism, including delivery of over 40 initiatives to help grow the Indigenous tourism sector in Queensland, developing new Indigenous tourism experiences and jobs for Indigenous Queenslanders, thereby positioning the state as the nation’s leader in Indigenous tourism. Initiatives included:
 - supporting 14 Indigenous festival and events
 - developing creative content for over 20 Indigenous tourism operators

- delivery of 12 projects with Regional Tourism Organisations
 - welcoming over 450 Indigenous tourism participants in mentoring, coaching and capability programs.
- Delivered the Our Country Advisory Service, engaging with over 200 Indigenous tourism businesses across the state. The service provides guidance, tools and referral so organisations and businesses move from ‘Aspiration’ to ‘Trial open’ and ‘Visitor ready’, then to ‘Market ready’, or ‘Trade ready’. The service is built around 10 sectoral needs vital to rapidly succeed in a culturally appropriate way.
- Continued to deliver the Minjerribah (North Stradbroke Island) Futures Program supporting economic transition following the cessation of sand mining on the island. Projects delivered include:
 - instalment of the third and final Gumpi (Dunwich) Place Marker completed on 18 February 2022
 - continued implementation of the Minjerribah Destination Development and Awareness initiative with key partners, including a range of packaged visitor day pass experiences
 - finalisation of the rescope schematic designs for the Quandamooka Arts and Cultural Centre, QUAMPI.

Advancing Queensland through Innovation

The objective of the service area is to drive economic growth and job creation through innovation in our traditional and emerging strengths, harnessing Queensland’s research strengths and entrepreneurship to encourage new industries and using new technology, new skills, capital and ideas to support business and industry creation, global connections and growth.

| Service standards | 2021–2022 Target/Est. | 2021–2022 Actual |
|---|--------------------------|---------------------|
| Effectiveness measures | | |
| Proportion of stakeholders who are satisfied with innovation and commercialisation consultative and engagement processes (overall satisfaction) ^{1,2} | >85% | 93% |
| Percentage of participants of programs/events who identified collaboration opportunities ³ | >45% | 74% |
| Percentage of the department’s Advance Queensland funding recipients satisfied with contract management services provided for related grant programs (overall satisfaction) | >85% | 91% |
| Efficiency measure | | |
| Ratio of investment leveraged as a result of Queensland Government funding invested | \$1: \$1.25 | \$1: \$1.12 |

Notes

1. The variance between the 2021–2022 Estimated Actual and 2021–2022 Target/Estimate is due to focusing on a small number of well targeted events as a result of travel and events restrictions associated with COVID-19.
2. This service standard was previously presented as a measure of efficiency in the 2021–2022 SDS and has been reclassified as a measure of effectiveness to represent the nature of the measure more accurately.
3. The variance between the 2021–2022 Estimated Actual and 2021–2022 Target/Estimate is a result of the significant reduction in survey samples, due to the impacts of COVID-19 restrictions on the number of events held in 2021–2022 and subsequently, the number of survey responses from event participants.

Objective

Drive economic recovery and growth by attracting and amplifying tourism and innovation investment to sustain and create Queensland jobs



Performance indicator

Estimated number of Queensland jobs supported through tourism and innovation projects

Achievements

- Continued the implementation and delivery of the *Building our Innovation Economy – Advance Queensland Strategy* and its key priorities and actions, which is supporting more than 28,000 Queensland jobs.
- Developed a Queensland Innovation Places Strategy discussion paper and conducted targeted consultation and engagement activities, including four stakeholder workshops, to inform a 10-year whole-of-government plan to support Queensland’s innovation places.
- Led the \$5 million Regional Futures initiative to further build on the success of Advance Queensland’s regional investment to date and ensure our regional innovators and entrepreneurs continue to contribute to our state’s thriving future innovation economy and jobs growth. The Regional Futures initiative backs our regions’ competitive advantages by investing in collaborative projects, innovative ecosystem development and events and activations.
- Supported new innovation hubs throughout Queensland to drive collaboration and connection and

build expertise, including the Queensland Artificial Intelligence Hub, Immersive Technologies Hub, Agtech and Logistics Hub in Toowoomba, Advanced Technology and Innovation Centre at CQUniversity, James Cook University Ideas Lab in Cairns, and the Smart Precinct NQ in Townsville.

- Assisted startup, Dealroom, launching its new online platform in March 2022, which supports Queensland-based startups to attract investors. Dealroom Queensland encourages greater opportunities for Queensland-based startups to attract investors so that they can scale, create new jobs and have access to new local and global markets.
- Delivered new and critical programs and services for our startups, scaleups and innovation community, particularly in our regions, to help accelerate Queensland’s economic recovery and growth.
- Continued to support critical research and development and help businesses to commercialise products and services and access new markets through Industry Research Fellowships and the Ignite Ideas Fund.
- Supported greater opportunities for regional workers to access new high-tech skills through the Queensland Future Skills Partnership Pilot Program, fast tracking development and delivering automated technology qualifications to Queensland’s resources sector.

- Provided increased opportunities for scaleups, innovative small to medium enterprises and researchers in the Defence sector, through the Trusted Autonomous Systems for Defence Cooperative Research Centre partnership.
- Measured the contribution of innovation to Queensland economy and job creation through the State of Innovation project; exploring the impact of innovation on businesses, industry and knowledge economy performance, providing state and territory comparisons and identifying areas of improvements for Queensland innovation.
- Undertook a comprehensive economic assessment of the Queensland Government’s investment in innovation through the second macro-level evaluation of the Advance Queensland initiative that found:
 - Advance Queensland positively contributed to the growth and productivity of Queensland's knowledge economy and is helping support the diversification of the state's economy.
 - The initiative has reached all intended key stakeholder categories including startups, small to medium enterprises and female, First Nations and regional innovators.
 - Advance Queensland provided a healthy return on investment with at least \$1.60 in benefits for every dollar invested.

Objective

Create a diverse, productive and sustainable economy for a fairer Queensland



Performance indicator

Number of female and Indigenous applicants and recipients of innovation programs

Achievements

- Provided ongoing support to startups and high growth companies to survive the challenges posed by COVID-19 through virtual business and financial education programs and mental health support for founders of businesses.
- Supported Female Founders through a range of programs to develop the next chapter of support for women entrepreneurs and to work toward increasing the number of women in Queensland's innovation ecosystem. Programs included:

- the SBE Evolve accelerator
- the Advisory Board Centre
- the Empower program - a partnership with the Entrepreneurial Futures Network supported by the US Department of State
- the States of Change review.

- Continued to work with Aboriginal and Torres Strait Islander innovators and communities to create new commercial pathways through the *Deadly Innovation Strategy*.
- Delivered the International Women’s Day series of events including panel discussion presented with Impact Innovation and The Precinct.

Sport and Recreation

The objective of this service area, which is delivered collaboratively across two divisions (Sport and Recreation and the QAS) is to benefit Queenslanders and their communities by promoting healthier, more active lifestyles, through supporting and encouraging participation in sports and recreation.

Sport and Recreation Division

| Service standard | 2021–2022 | 2021–2022 |
|---|-------------|-----------|
| | Target/Est. | Actual |
| Level of overall customer satisfaction with Queensland Venues | 80% | 99% |

Objective

Maximise benefits of tourism, major events and sport and active recreation experiences to realise Queensland's economic potential



Performance indicators

Percentage of satisfied clients accessing precincts and venues

Increased events and participation at active precincts and venues

Achievements

- Successfully delivered Australian Sports Symposium and Technology Showcase to a global audience at Dubai World Expo, increasing awareness and potential investment into Queensland sportstech.
- Continued to deliver a three-year \$40 million capital works program to transform three owned and operated venues into the Queensland Active Precincts, encouraging more Queenslanders to be physically active through access to high quality places and spaces. This included:
 - delivery of a \$7.2 million leisure centre expansion at Gold Coast Recreation Precinct
 - delivery of the \$13.9 million Townsville Sports Precinct
 - delivery of the Aerial Adventures high ropes courses at Gold Coast and Sunshine Coast Recreation Precincts, already attracting more than 3000 visitors since completion in October 2021.
- Commenced the \$31.5 million redevelopment of Ballymore, earmarked as a hockey venue for Brisbane 2032 Olympic and Paralympic Games, jointly funded by DTIS, the Australian Government and the Queensland Rugby Foundation.
- Commenced the \$24.2 million redevelopment of Harrup Park Great Barrier Reef Arena, jointly funded by DTIS, the Australian Government and the Mackay Cricket Association.
- Leveraged partnerships and collaboration opportunities to support physical activity participation and attract significant events to Queensland Active Precincts resulting in more than 230,835 visitors during 2021–2022, including:
 - the 35th anniversary celebration of The Bindal Sharks All Blacks Rugby League Carnival and the 2022 North Queensland Games at the Townsville Sports Precinct, drawing more than 22,000 spectators and participants
 - round 23 of the NRL on 22 August 2021 at the Toowoomba Sports Ground in front of more than 7800 spectators.
- Showcased Queensland Active Precinct facilities and programs at the inaugural Disability Sports Australia National Conference and Sunshine Coast Sports Symposium, demonstrating vital collaboration between industry and Council while creating future potential clientele.

Objective

Enrich Queensland’s way of life by delivering health and social outcomes through sport and active recreation opportunities



Performance indicators

Proportion of adults who undertake sufficient physical activity

Proportion of children who undertake sufficient physical activity

Achievements

- Continued to deliver *Activate! Queensland* – a 10-year strategy to enrich the Queensland way of life through physical activity and provide more opportunities for Queenslanders of all ages and all abilities to be physically active.
- Assisted young Queenslanders to become physically active through the FairPlay voucher program with more than 45,000 vouchers redeemed under Rounds Five and Six.
- Supported local and regional sport and active recreation organisations by delivering Round Two of Active Clubs, with \$3.3 million approved for 1693 projects across Queensland.
- Delivered the Active Gameday Projects infrastructure fund approving more than \$9.7 million to support 104 Queensland sport and active recreation clubs and local governments to deliver ‘field of play’ projects.
- Approved more than \$4.1 million worth of new and innovative products or services, getting Queenslanders active, more often and strengthening the capability of organisations in the active industry in partnership with Health and Wellbeing Queensland.
- Delivered the Active Industry Project Fund, with more than \$1.2 million approved for new sport and recreation initiatives through 25 successful projects that increase the sport and active recreation industry’s efficiency and capability and provide diverse, inclusive and responsive quality services and offerings to enhance participation for Queenslanders.
- Continued to deliver, through the Active Industry Fund, programs and services across Queensland, growing and strengthening the active industry and providing quality and inclusive participation opportunities for all Queenslanders through funding of over \$9.5 million to State Level Organisations and Industry Peak Bodies.
- Increased support for young Queensland athletes, coaches and officials through the Emerging Athlete Pathways program.
- Delivered five online industry forums/workshops to 121 participants across four topic areas, including the National Redress Scheme, Child Safe Sport, Member Protection Information Officer and Complaints Handling.
- Engaged Australian Sports Technologies Network to build innovation capability in the Active Industry.
- Supported sport and recreation clubs affected by storm and flood events across the state, with 377 organisations receiving grants of \$5000 under the Sport and Recreation Disaster Recovery Program.
- Following the significant weather events during 2021–2022, partnered with the Queensland Reconstruction Authority to develop two programs totalling \$77 million jointly funded through the Commonwealth and State Governments under the Disaster Recovery Funding Arrangements (DRFA).
- Developed a new model of sport and recreation service delivery for Aboriginal and Torres Strait Island communities, placing local governments and local organisations at the heart of decision making within the communities to deliver high quality, culturally appropriate physical activity opportunities.
- Provided funding through the Deadly Active Sport and Recreation Program to local governments with jurisdiction over the 17 discrete Aboriginal and Torres Strait Island communities to coordinate and facilitate the delivery of physical activity opportunities.

- Developed the First Nations Sport and Recreation Program, which will provide funding to organisations to coordinate and facilitate the delivery of physical activity opportunities in 22 non-discrete communities.
- Delivered the Torres Strait Community Sport and Recreation Program to support the Torres Shire Council and Torres Strait Island Regional Council to coordinate and facilitate the delivery of community-focused sport and active recreation for the Torres Strait Inner and Outer Island communities.

Queensland Academy of Sport

| Service standards | 2021–2022 Target/Est. | 2021–2022 Actual |
|--|--------------------------|---------------------|
| Effectiveness measures | | |
| Percentage of Queensland athletes selected for national teams supported by QAS | 25% | 26% |
| Co-contribution ratio of partnership investment to QAS investment in grants research projects ¹ | 1:1 | 1:2 |

Notes

4. The variance between the 2021–2022 Target/Estimate and 2021–2022 Actual is due to two individual projects which received additional research investments from external research partners during 2021–2022.

Objective

Enrich Queenslanders' way of life by delivering health and social outcomes through sport and active recreation opportunities



Performance indicators

Increased medal success of Queensland athletes on the world stage

Percentage of QAS athletes selected for national teams

Achievements

- Commenced delivery of the *2032 High Performance Strategy* to prepare Queensland athletes for Brisbane's 2032 Olympic and Paralympic Games.
- In partnership with Stadiums Queensland, delivered a new \$10 million gymnasium, laboratory and elite athlete health suites at the Queensland Sports and Athletics Centre, and a new \$2.4 million state-of-the-art gymnasium and specialist athlete health suites at the Sleeman Sports Complex. These facilities will support over 450 Queensland elite athletes, preparing them to represent Queensland on the world stage.
- Launched the Youfor2032 program, Australia's largest talent identification campaign to develop and nurture young Queensland talents who have the potential to excel on the world stage at the Brisbane 2032 Olympic and Paralympic Games.
- The Olympics Unleashed program, a joint initiative with the Australian Olympic Committee, provided a connection between QAS athletes and the community, with 163 schools visited during 2021–2022 reaching a total of 26,744 students.
- Delivered the BMX Freestyle National Centre of Excellence on the Gold Coast in May 2022, a joint initiative with QAS, AusCycling, City of Gold Coast and the Australian Institute of Sport.
- The Generation 2032 Coach Program, launched in July 2021 in partnership with the Australian Institute of Sport, supported 11 aspiring high performance coaches in the first cohort, to ensure the next generation of athletes are coached by those with contemporary skills and capabilities fit for a 2032 arena.
- Provided annual direct sport investment funding totalling \$16.1 million across the 20 sports supported by the QAS, with an additional \$200,000 invested in the individual Medal Support Program.

Part three

Our future priorities

- 28** TOURISM INDUSTRY DEVELOPMENT
- 29** ADVANCING QUEENSLAND THROUGH INNOVATION
- 30** SPORT AND RECREATION
- 31** QUEENSLAND ACADEMY OF SPORT

Our future priorities

In 2022–2023, our priorities in delivering benefits for Queenslanders are highlighted in the *DTIS Strategic Plan 2022–2026* through our refocused strategic objectives:

- Drive economic recovery and growth by delivering and attracting tourism and innovation investment to sustain and create Queensland jobs.
- Maximise benefits of tourism, major sport and cultural events to realise Queensland’s economic and high performance sporting potential.
- Enrich Queenslanders’ way of life by delivering health and social outcomes through community sport and active recreation.
- Support the creation of a diverse, productive and sustainable economy with increased opportunities for women, Indigenous peoples and business – especially in the regions.

Tourism Industry Development

- Develop and lead the government’s response to the Action Plan for Tourism Recovery: *Toward 2032, reshaping Queensland’s visitor economy to welcome the world.*
- Lead the development and implementation of a new flagship 10-year Queensland tourism industry strategy and first three-year implementation plan.
- Lead the \$100 million Attracting Aviation Investment Fund to secure flights and rebuild Queensland’s \$6 billion international tourism industry after COVID-19.
- Finalise delivery of the \$7.5 million Work in Paradise program attracting workers to the tourism and hospitality sector in Queensland.
- Continue to deliver the \$3.5 million GBR Education Experience Program, enabling more Queensland school students to undertake an in-field learning experience on the GBR as part of a school excursion.
- Deliver strategic initiatives under the \$20 million Tourism Activation Fund and infrastructure projects under the Regional Tourism Recovery Fund. This includes:
 - Continuing to deliver the \$7 million Economic Recovery Bid Program with the state’s three convention and exhibition centres to attract more business events to Queensland
 - Progressing a new \$5 million Activate Ecotourism program in partnership with the private sector
 - Continuing to deliver the GBR Marine Infrastructure Package to improve access to island National Parks
 - Delivering the \$1 million Eco Certified Destinations program to assist destinations across the state to become eco-certified.
- Attract and secure new private capital investment to help grow tourism infrastructure across Queensland.
- Support Brisbane to host the International Cricket Council Men’s T20 World Cup 2022, promoting Queensland as a tourism and events destination.
- Support the hosting of FIFA Women’s World Cup 2023 and leverage opportunities for Queensland to host future major events.
- Support the development of the \$20 million Queensland Music Trails initiative, putting Queensland on the map as a music tourism destination.
- Oversee delivery of two remaining Minjerribah Futures infrastructure projects, QuAMPI and Yalingbila Bibula.
- Build on the Year of Indigenous Tourism legacy, to support the growth of Indigenous-owned and operated tourism businesses.
- Lead implementation of the \$4 million First Nations Tourism Program, including extending the Our Country Advisory Service into Torres Strait via a partnership with the Torres Strait Regional Authority.

- Work with Brisbane River-based tourism operators to find temporary and permanent solutions to mooring issues.
- Continue investment into infrastructure and engagement with Woppaburra Traditional Owners to progress Great Keppel Island Infrastructure.
- Continue to progress ecotourism activation across Queensland including the Wangetti Trail, the Cooloola Great Walk and the Paluma Wallaman Falls trail.
- Deliver the \$7 million Tourism Recovery and Resilience Package to support 37 Local Governments impacted by 2022 Severe Weather Event funded through DRFA.
- Continue to deliver tourism infrastructure grant programs, including the GTIF and \$15 million Tourism Experience Development Fund.
- Deliver the Accessible Tourism in Queensland project, taking steps to make it easier for more people with disability to enjoy a holiday in Queensland.

Advancing Queensland through Innovation

- Establish the next phase of Advance Queensland – Future direction and priorities for driving innovation in Queensland and accelerating economic recovery and growth.
- Implement the *Queensland Innovation Precincts and Places Strategy* – a 10-year whole-of-government strategy to support Queensland’s innovation places.
- Continue to support critical research and development and help businesses to commercialise products and services and access new markets through Advance Queensland programs.
- Deliver the Ignite Ideas Fund with enhanced wrap around support services. Pilot *Ignite+*, wrap around services for recipients of Ignite Ideas Round Nine, to best position these high-potential companies for success and growth.
- Support the development of new research and industry programs, in partnership with the Department of Environment and Science.
- Implement the State of Innovation Project to develop rich data and insights to support evidence-based policy making and inform priority actions.
- Support formal evaluation of the *Deadly Innovation Strategy* to inform the design and enhance the delivery of targeted and mainstream programs to ensure an inclusive approach to innovation driven economic growth.
- Continue delivery of the *Deadly Innovation Strategy* supporting commercial pathways for Indigenous businesses and innovators to achieve success, broaden access to existing opportunities and provide opportunities to secure funding for innovative businesses created, led and managed by Aboriginal and Torres Strait Islander peoples.
- Support Female Founders through a range of programs to help maximise the number of inspirational women involved in Queensland’s innovation ecosystem.
- Support the network of innovation hubs across Queensland to showcase and increase uptake of emerging technologies.
- Consolidate, grow and position The Precinct, and Advance Queensland’s digital platforms, including LinkedIn, Dealroom and QiHub, to enable startups and scaleups to connect, learn and collaborate.
- Develop and deliver an annual calendar of targeted events at The Precinct with a focus on bringing business and the innovation ecosystem together for investment, collaboration, partnerships, learning and networking. This includes dedicated events for Female and First Nations founders.
- Support increased opportunities for scaleups, innovative small to medium enterprises and researchers in the defence sector, through the Trusted Autonomous Systems for Defence Cooperative Research Centre partnership.
- Support scaleup of high-growth-potential enterprises including strategic growth, capital raising, supply into government and corporates and export market development.

- Deliver the Regional Futures initiative including collaborative projects, events and activations, ecosystem development, and establishment of a state-wide network to apply innovation to issues of regional significance and global relevance.
- Support greater opportunities for regional workers to access new high-tech skills through the Queensland Future Skills Partnership.

Sport and Recreation

- Continue to deliver *Activate! Queensland*, a 10-year strategy to enrich the Queensland way of life through physical activity and provide more opportunities for Queenslanders of all ages and all abilities to be physically active.
- Release and commence implementation of *Activate! Queensland's* second action plan, *Accelerate 2022–2025*, to build and strengthen the sport and active recreation industry through:
 - collaborating with the active industry to get more Queenslanders moving
 - enhancing pathways for Queensland's athletes, coaches and officials
 - operation of precincts and venues that service community and industry from grass roots to elite
 - championing an industry-leading network of infrastructure across Queensland
 - leveraging events and opportunities.
- Continue targeted investment to increase access to sport and active recreation opportunities through FairPlay vouchers, the First Nations Sport and Recreation Program and the Deadly Active Sport and Recreation Program.
- Support improved capability and capacity of the active industry through funding programs including Active Clubs, Active Industry Fund, Active Industry Project Fund and ActiveKIT.
- Develop a Pathways Blueprint for Queensland, setting the direction and tone to enhance the sport pathways environment in Queensland.
- Continue to deliver Emerging Athlete Pathways program to support young athletes, coaches and officials selected to attend representative events.
- Continue the upgrade of facilities and accommodation across Queensland Active Precincts to support performance pathways and attract more local audiences.
- Upgrade the Brisbane and Townsville Active Industry Hubs to offer attractive accommodation and industry collaboration spaces.
- Support the re-establishment of facilities and activities after extreme natural events through the Sport and Recreation Disaster Recovery Program.
- Deliver a minor infrastructure program to invest in community recreation that enhances participation opportunities.
- Maximise investment in major sporting events through leveraging local events and participation outcomes.
- Develop the SportX: 2032 Sports Economy Strategy to establish a state-wide strategic direction for SportTech in Queensland to grow expertise in, accelerate and revolutionise sports technology and sporting innovation.
- Introduce amendments to the *Major Sports Facilities Act 2001* to implement outstanding recommendations from the *Stadium Taskforce Report*.

Queensland Academy of Sport

- Continue to implement the *2032 High Performance Strategy – Delivering Inspiring Sporting Success* to ensure success at the Brisbane 2032 Olympic and Paralympic Games by preparing Queensland medal-winning elite athletes.
- Assist 90 QAS supported athletes (including 21 para-athletes) across 85 different events to achieve success at the Birmingham 2022 Commonwealth Games, putting Queensland on the runway for success in the Paris 2024 Summer Olympics.
- Host IGNITE 2032, a high-performance conference designed to bring the brightest coaches and high-performance minds together to share expertise and encourage collaboration and partnerships.
- Deliver a new \$2.7 million National Throws Centre of Excellence at the Queensland Sport and Athletics Centre at Nathan, funded in partnership with Athletics Australia, to be Queensland’s elite training hub for discus, shot put, javelin, hammer throw and decathlon.
- Explore the development of an Action Sports Centre of Excellence on the Gold Coast to accelerate performance in the new action sports entering the Olympic and Paralympic arena.
- Continue to deliver Youfor2032 to ensure Queensland has a pipeline of talent that will help Queensland to be successful at the Brisbane 2032 Olympic and Paralympic Games.

Part four

Our governance

| | |
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| 33 | GOVERNANCE FRAMEWORK |
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Our governance

Governance framework

Our corporate governance framework (the framework) establishes linkages between planning and performance, risk management and accountability processes. The framework is designed, along with our organisational structure, to enable our vision, purpose and objectives and outline our governance principles and practices to ensure compliance with legislative obligations, providing confidence in the delivery and integrity of our services. This includes compliance with our obligations under the *Financial Accountability Act 2009 (FAA)*, *Financial and Performance Management Standard 2019 (FPMS)* and *Public Sector Ethics Act 1994*.

Governance committees

As the Accountable Officer, the Director-General has overall responsibility under the *Public Service Act 2008* (section 98) for the management, governance and operation of the department.

Executive Leadership Team

The Executive Leadership Team (ELT) is comprised of DTIS executive leaders. Their role is to support and advise the Director-General.

The ELT is the department's peak decision-making and advisory body and is supported by four additional governance committees.

The ELT makes decisions and provides advice to the Director-General in relation to:

- strategic policy
- strategic planning and alignment
- corporate governance
- strategic workforce policy and planning
- performance management
- service delivery
- risk management.

Committee membership as at 30 June 2022:

- Director-General (Chairperson)
- Deputy Director-General, Tourism Infrastructure and Investment
- Deputy Director-General, Tourism Recovery, Olympic Engagement and Legacy
- Deputy Director-General, Innovation
- Deputy Director-General, Sport and Recreation, and Deputy Director-General, Corporate Services

- Chief Executive, Queensland Academy of Sport.

Audit and Risk Management Committee

The Audit and Risk Management Committee (ARMC) is an independent advisory committee reporting to the Director-General to assist in the effective discharge of responsibilities prescribed in the FAA, the FPMS and other relevant legislation.

The ARMC provides expertise and guidance on the effectiveness, efficiency and integrity of DTIS' arrangements for:

- enterprise risk management and internal controls
- financial stewardship and public accountability
- governance and ethical conduct
- compliance with legal obligations
- protection of departmental assets.

The ARMC also monitors the internal audit function to ensure it operates effectively, efficiently and economically. The ARMC is chaired by a professional external expert and convened four times during 2021–2022 (in August and November 2021, and March and June 2022).

Key ARMC achievements for 2021–2022:

- Reviewed and endorsed the department's 2020–2021 financial statements.
- Reviewed and considered the Queensland Audit Office (QAO) External Audit Plan for DTIS for the financial year ending 30 June 2022.

- Reviewed and considered the 2021–2022 Internal Audit Plan for DTIS and monitored implementation of audit recommendations.
- Reviewed and endorsed the Internal Audit Charter 2021–2022 and reviewed the Internal Audit model with positive feedback received from the internal survey.
- Endorsed the DTIS Information Security (IS18) Annual Return including mandatory artefacts.
- Reviewed and endorsed the ARMC Charter 2022–2023 and reviewed the annual ARMC performance with positive results received from the internal self-assessment.
- Considered the following strategic performance activities:
 - Human Rights Act activity progress (including Action Plan)
 - Integrity Framework
 - Fraud and Corruption Control Framework
 - Legislative Compliance Assurance Assessment
 - Information Security Management System (ISMS) Implementation Action Plan.

Committee membership and external members’ remuneration details, as at 30 June 2022:

- Mr Peter Dowling AM – Independent Chairperson and Member, reappointment from 1 November 2021 to 1 November 2024; remuneration: \$2400 (GST exclusive) per meeting maximum value \$12,000 (GST exclusive) per calendar year; attended four meetings.
- Ms Karen Prentis – Independent Member reappointment from 1 November 2021 to 1 November 2024; remuneration: \$1800 (GST exclusive) per meeting maximum value of \$9000 (GST exclusive) per calendar year; attended four meetings.
- Mr Jeff McAlister, Deputy Director-General, Tourism Infrastructure and Investment, Internal Member, reappointment from 25 March 2021 to 26 September 2021; attended one meeting.

- Mr Andrew Sly, Deputy Director-General, Sport and Recreation, and Deputy Director-General Corporate Services, Internal Member, appointed 25 March 2021 to 22 March 2023; attended four meetings.
- Ms Lea Diffey, Deputy Director-General, Innovation Division, Internal Member, appointed 27 September 2021 to 27 September 2023; attended two meetings.

Finance Committee

The role of the Finance Committee is to direct the department’s financial strategy, provide oversight of financial operations and performance to assure its financial viability, and identify possible deviations and financial consequences.

The Finance Committee considers and provides advice to the Director-General and executive leaders on:

- financial oversight and accountability, and major budget and investment management decisions
- financial management and controls
- financial and procurement risks management
- strategic asset management
- savings and debt compliance and reporting
- strategic procurement plan and priorities
- significant financial transactions and complex procurements
- financing and proposed financing of significant departmental projects
- compliance with financial legislative responsibilities.

The Finance Committee meets a minimum of five times per year, or as otherwise determined by the Chairperson.

Committee membership as at 30 June 2022:

- Director-General (Chairperson)
- Deputy Director-General, Tourism Infrastructure and Investment
- Deputy Director-General, Tourism Recovery, Olympic Engagement and Legacy
- Deputy Director-General, Innovation

- Deputy Director-General, Sport and Recreation
- Chief Executive, Queensland Academy of Sport.
- Chief Finance Officer.

Digital and Information Steering Committee

The Digital and Information Steering Committee (DISC) focuses on strategic management of information and technology resources to ensure new investments support the department's strategic plan and information security oversight. The DISC contributes to the efficient and effective operation of the department in alignment with the FAA, the FPMS, *Information Standard 2 – ICT Resources Strategic Planning*, and *Information Standard 18 – Information Security*.

The purpose of the DISC is to provide advice and guidance to the Director-General to ensure information and communications technology (ICT), information management, information security and related assets and investments support delivery of government priorities and departmental objectives.

Broadly, the DISC:

- directs and monitors DTIS departmental implementation of whole-of-government digital, ICT and IM (including recordkeeping) strategies, policies and standards
- oversees agency information security risk management activities, including:
 - at-risk ICT systems/applications and mitigation strategies to manage these
 - ISMS implementation
 - maintenance of a current, comprehensive Information Asset Register
- monitors ICT service levels and account management activities, provided by Information and Technology Partners, Department of Agriculture and Fisheries (DAF-ITP)
- reviews and approves significant ICT investment and projects (including the technology refresh of aging and end-of-support ICT assets)

- approves ICT reporting to the Queensland Government Customer and Digital Group, and publication of data to the public-facing whole-of-government ICT Dashboard.

The DISC meets every two months, or as otherwise determined by the Chairperson.

Committee membership as at 30 June 2022:

- Deputy Director-General, Corporate Services (Chairperson and Agency Security Executive)
- Chief Information Officer, DAF-ITP
- Executive Director, Governance, Performance and Risk
- Deputy Director-General, Tourism Infrastructure and Investment
- Deputy Director-General, Innovation

Work Health and Wellness Committee

The Work Health and Wellness Committee (WHWC) assists the Director-General and executive leaders to meet their legislative obligations and compliance with the *Work Health and Safety Act 2011*, *Work Health and Safety Regulation 2011*, codes of practice, and other safety guidance material.

The committee provides advice and guidance in relation to:

- identifying, assessing and resolving workplace health and wellbeing (WHW) trends and issues
- the development of policies and systems to mitigate WHW risks and promote best practice
- ensuring executive leaders and employees are informed of WHW policies, systems, initiatives, issues, trends and achievements
- implementing and promoting initiatives that:
 - promote physical and mental health of employees
 - protect workers and members of the public against physical and mental injury
 - prevent workplace bullying and harassment (including sexual harassment)
 - provide suitable injury management and return to work plans for employees following injury

- prevent workplace hazards and risks, as much as is reasonably practical
- consultation with employees on matters relating to health, safety and wellbeing
- enlisting senior management and key divisional champions to promote priority WHW initiatives across the department.

The WHWC meets quarterly, or as otherwise determined by the Chairperson.

Membership of the WHWC during 2021–22 included 13 people from across each division and the Office of the Director-General. It was chaired by a representative from Human Resources within Corporate Services.

Consultative Committee

The Consultative Committee is established under the *State Government Entities Certified Agreement 2019* (the Agreement), to facilitate union and employee consultation on a broad range of human resource issues arising under the Agreement.

The committee provides the forum to engage with union representatives regarding matters relating to the Agreement, employment conditions, the organisational environment, and/or matters otherwise impacting (or likely to impact) the workforce, including:

- COVID-19 workplace safety and related return to office arrangements (as necessary)
- variation to the ordinary spread of working hours
- emerging workplace and employee matters, as they relate to the wellbeing of workers
- organisational change and restructuring
- workload management
- training
- flexible work arrangement
- workplace sustainability
- union engagement
- workforce data
- matters such as review of, changes to, or introduction of new workforce management policies.

The committee meets on a quarterly basis in December/January, April, July and October each year.

The Consultative Committee was chaired by the Executive Director, Human Resources and membership during 2021–22 included two other representatives from the Human Resources area, with one acting as a representative for Together Queensland.

Internal audit

Internal audit services are undertaken via an outsourced arrangement in accordance with the January 2020 Treasurer’s Delegations under the FAA.

Price Waterhouse Coopers provided internal audit services (including Head of Internal Audit) until 18 October 2021, with Ernst & Young commencing in the role as of that date. The responsibilities of Head of Internal Audit is delegated to the service provider by the accountable officer.

The DTIS internal audit function operates in accordance with an approved Internal Audit Charter incorporating professional standards and is focused on facilitating continuous improvement.

Key internal audit achievements for 2021–2022:

- CFO Assurance Statement Review and post Machinery of Government Health Check Review completed.
- DTIS Assurance Mapping commenced and draft FY23 Internal Audit Plan prepared.
- Grant Framework and Management Review, Fraud Risk Management and Information Security internal audit reviews substantially progressed.
- Reviewed DTIS’ Internal Audit Charter and ARMC Charter.
- Monitored and verified implementation of audit recommendations to the ARMC.

External assurance

The QAO undertakes financial and performance audits within the public sector.

In 2021–2022, the below audit report required action by DTIS.

QAO – Information Brief – 29 September 2020, Awarding of sports grants (Report 6: 2020–2021) was tabled in Parliament on 29 September 2020 and

focused on whether the awarding of sports grants was in accordance with documented processes that were appropriate and resulted in the impartial awarding of grants. The department is committed to the processes to ensure all enquiries are clearly documented and subject to a review process. The ARMC noted and endorsed the complete implementation of the recommendations on 8 March 2022.

Risk management

The DTIS Enterprise Risk Management Framework is based on the international risk management standard *AS/NZS ISO 31000:2018 and IEC 31010:2019* and aligns with *Queensland Treasury’s Risk Management Guidelines* to enable departmental compliance with the *Financial Accountability Act 2009*.

The framework provides mechanisms to ensure risk management is an integral part of day-to-day decision-making, where risks are identified, assessed and treated in a systematic way. This involves a consistent approach for prioritising, escalating and responding to risks, regardless of their nature.

Enterprise risks are recorded on the Strategic Risk Register, which also includes fraud and corruption and information security risks.

Significant strategic risks and opportunities are identified as part of the department’s annual strategic

planning process. Strategic risks and opportunities are those that are trending as high divisional risks, multi-divisional risks or emerging risks with the potential to impact the whole department.

Divisions maintain operational, program and project risk registers which are reviewed and reassessed on a quarterly basis to assess risk profile and treatment statuses, and identify trends warranting attention, or when material environmental changes occur (for example, within the department or across industry). High and trending risks are reported to the ELT and ARMC on a quarterly basis.

Risk management and business continuity planning activities are reviewed and revised to enable DTIS’ rapid response to support our tourism, innovation, sport and active recreation industries.

Information Security Management System (ISMS)

The implementation of a mandatory ISMS has continued to be progressed throughout 2021–2022. An ISMS comprises the policies, processes, procedures, work practices, behaviour, and planned activities the department uses to secure and protect its information.

Key ISMS implementation achievements during the year included:

- Progressing stage three ISMS implementation, with the further assessment of the department's information security and business systems risks.
- Undertaking a cyber security gap analysis against the 17 recommendations from *QAO Report 3: 2019–2020 Managing cyber security risks*, to confirm recommendations have been addressed and are being appropriately managed within DTIS.
- Progressing the review, identification, assessment and classification of information assets.
- Information and cyber security training and awareness activities.

Information security attestation

During the mandatory annual Information Security reporting process, the Director-General attests to the appropriateness of the information security risk management within DTIS to the Queensland Government Chief Information Security Officer. The Director-General further notes that appropriate assurance activities are being undertaken to inform this opinion and the department's information security risk position.

Information release and open data

DTIS is committed to providing Queenslanders free and easy access to our information.

In accordance with the *Right to Information Act 2009*, DTIS' publication scheme ensures certain types of information are made publicly available and is published to the DTIS website:
<https://www.dtis.qld.gov.au/about-us/our-policies-and-plans/right-to-information/publication-scheme>.

In addition to this, DTIS supports the whole-of-government *Open Data Policy Statement* by publishing suitably classified datasets through the Queensland Governance Open Data Portal.

Through the DTIS Open Data Strategy, we demonstrate our commitment to increasing the release of data we collect for reuse and repurposing, to provide new and exciting resources for the community.

The *DTIS 2021–2025 Open Data Strategy* is available on www.dtis.qld.gov.au.

As supplementary data to this annual report, DTIS has published 2021–2022 consultancy, overseas travel and language services expenditure data on the Open Data Portal at www.data.qld.gov.au.

Records management

Records management policy and operational support is provided to the department by DAF-ITP. Enabled through this arrangement, DTIS has a comprehensive records management framework consistent with the *Public Records Act 2002*, *Public Service Act 2008* and the Queensland State Archives (QSA) Records Governance Policy. Departmental policies are in place which allocate responsibilities for recordkeeping.

A strategic recordkeeping plan focuses on managing records following a risk and value approach. The

corporate electronic document and records management system (eDRMS) has been upgraded across the department.

The records held in the corporate eDRMS have file structures with appropriate security markings and access controls according to the Information Security Policy. There have been no security breaches of this system. Online eDRMS training is available for all staff.

The Digitisation Disposal Policy enables the early disposal of temporary paper records which have been

digitised and are managed securely. Analysis of agency processes for improved recordkeeping practices and risk mitigation is ongoing.

The records management framework also includes an appraisal and disposal program, management of paper records, retrieval and digital delivery of records and a program of permanent records transfers to QSA. The department is using the QSA Archives Gateway to administer retrievals of files and access controls for permanent departmental records held at QSA.

Human Rights

Queensland's *Human Rights Act 2019* (the HR Act) provides for the legal protection of 23 human rights. The HR Act's aim is to ensure respect for human rights is embedded in the culture of the Queensland public sector and requires public entities to act and make decisions in a manner compatible with human rights.

From 1 January 2020, individuals have a right to make a complaint if they believe their human rights have been limited by a public entity. Complaints are only able to be made for alleged breaches that occur after this date.

During 2021–2022, DTIS undertook to further the objectives of the HR Act through:

- development of a Human Rights roadmap and communications plan
- development of internal resources to assist staff in undertaking human rights impact assessments, in accordance with the HR Act
- delivery of tailored training targeted at policy and legislation officers
- creation of Sport and Recreation Human Rights Champions group with around 20 members from Sport and Recreation offices across Queensland, nominated to represent their particular business area. The group meets regularly and Champions have a number of responsibilities including:

Retention and authorised disposal processes and controls are in place for physical and electronic records. Records are retained in accordance with the following approved retention and disposal schedules:

- General Retention and Disposal Schedule (GRDS) – QDAN 415 v.4 (2020)
- Tourism – QDAN 709 (2014)
- Sport, Recreation and Major Events – QDAN 696 (2013).

- being the first point of contact for any staff enquiries relating to human rights
- building staff capability, particularly with respect to conducting Human Rights Impact Assessments
- consulting with other Champions and Legal Services when required.

Details of reviews undertaken for compatibility with human rights

All legislation administered by DTIS has been reviewed to ensure compatibility with human rights.

Additionally, DTIS continues to review policies, procedures and decision-making frameworks to similarly assess human rights compatibility of these artefacts and the actions they prescribe.

Received human rights complaints

No human rights complaints were received by the department during 2021–2022.

Part five

Working in DTIS

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Working in DTIS

Our people and culture

We invest in and build a workplace culture based on respect, diversity, health, safety and wellness to enable delivery of sustainable, high-quality services, programs and initiatives – both now and into the future.

Through our actions and decisions, we demonstrate our commitment to Queensland’s public service values:



Customers first



Ideas into action



Unleash potential



Be courageous



Empower people

Through our actions and decisions, we demonstrate commitment to assuring public sector ethics and integrity and helping to build a more inclusive and diverse culture based on enduring partnerships. During 2021–2022, we:

- invested in employee education and awareness to strengthen departmental accountability and agility through ethical decision-making, strong leadership and corporate governance
- strived to maintain appropriate balance between whole-of-government savings and debt priorities, and ensuring we have the right people and capacity to deliver

- worked internally and externally in partnership with Aboriginal and Torres Strait Islander businesses to develop cultural capability, and celebrate key cultural dates and events
- as a White Ribbon Australia accredited workplace, participated in whole-of-sector and internal education and awareness activities aimed at preventing workplace violence, and developed our capability to support employees affected by domestic and family violence
- continued to rise to the challenges of COVID-19 through maintaining focus on delivering benefits for Queensland sectors and communities, in balance with the imperative to assure our employees’ health and wellbeing.

We know our people are our greatest resource, and this is demonstrated through a continuing program of mental health and wellness initiatives, embracing flexible ways of working, and promoting domestic and family violence awareness and support resources.

Workforce profile

| | FTE |
|---|---------------------|
| Total FTE for Department of Tourism, Innovation and Sport | 446.29 ¹ |

¹ Minimum Obligatory Human Resources Information (MOHRI) FTE data for fortnight ending 17 June 2022

Strategic workforce planning and performance

In 2021–2022, DTIS focused on ensuring a strong human resources governance foundation for our people, establishing contemporary policies, procedures and practices with a strong focus on continuing work health and wellbeing best practice, promoting ethical behaviours and aligning the department’s divisional structures to meet future needs.

DTIS continues to develop its Strategic Workforce Plan, to be released in 2022–2023 following consultative engagement with key stakeholders, which will consider some key themes including:

- reviewing departmental professional capability and performance
- contemporary working arrangements
- leadership development
- succession planning to enable a pipeline of talent for now and into the future
- increasing our digital capability

Inclusion and diversity

As part of Queensland’s largest employer, the Queensland Government, DTIS is committed to supporting the *Queensland Public Sector Inclusion and Diversity Strategy 2021–2025*.

We consider ourselves uniquely placed to help create a Queensland public sector for all, where everyone feels safe, respected and included. We benefit from the different talents, experiences, and perspectives of all our employees.

During 2021–2022, we have encouraged staff to join us celebrating Queensland’s unique diversity and the benefits this brings, through:

- Celebration of Multicultural Queensland Month 2022, exploring the many ways in which language is fundamental to building a truly inclusive Queensland through the theme 'Inclusion in action'.

- Promoting and participating in the state-wide ‘Big Change Starts with you’, encouraging Queensland public service employees to update their diversity information through a staff census to help us understand our workforce profile, so we can implement the right programs for our employees.
- Releasing DTIS’ 2022–2023 Disability Services Plan to support *Australia’s Disability Strategy 2021–2031* by ensuring people with disability have access to the same departmental services, information and facilities that are available to the broader community.
- Celebration of National Reconciliation Week through a presentation event of the stories of the Torres Strait, its journey before and after colonisation and its enduring culture and messages.

| Gender | Number (Headcount) | Percentage of total workforce (calculated on headcount) |
|--|-----------------------|---|
| Woman | 298 | 64% |
| Man | 171 | 36% |
| Non-binary | 0 | 0 |
| Diversity Group | Number (Headcount) | Percentage of total workforce (Calculated on headcount) |
| Women | 298 | 64% |
| Aboriginal and Torres Strait Islander peoples | 12 | 3% |
| People with disability | 12 | 3% |
| Culturally and Linguistically Diverse – Born overseas | <5 | 1% |
| Culturally and Linguistically Diverse – Speak a language at home other than English (including Aboriginal and Torres Strait Islander languages or Australian South Sea Islander languages) | <5 | 1% |
| | Number (Headcount) | Percentage of total Leadership Cohort (Calculated on headcount) |
| Women in leadership roles | 33 | 7% |

Agile and future focused

DTIS recognises the increasing importance of flexible work arrangements to reflect our contemporary workforce, assisting employees to balance work priorities and other life responsibilities/interests.

Flexibility is fundamental to creating an innovative and diverse workforce that can respond to emerging priorities to meet customers' expectations for agile, adaptive and responsive services. A flexible work

structure underpins this adaptable approach as traditional work patterns and work environments shift to meet the demands of a rapidly changing landscape.

With developments in technology allowing employees to access important information remotely, the department is committed to supporting flexible work arrangements, with a broad range of options and considerations.

Health and wellness

DTIS prioritises its commitment to creating healthy and safe workplaces, where our staff thrive and achieve their best. DTIS actively engages with the Public Service Commission's Be healthy, be safe, be well framework providing an integrated and proactive approach to health, safety and wellbeing.

Throughout 2021–2022, the DTIS WHWC has taken a broader approach to WHS with a focus on employee wellbeing in consideration of mental health, financial fitness and flexible work.

Our new Work Health and Wellbeing Policy Statement reaffirms DTIS' commitment to providing and maintaining a diverse, inclusive, safe and healthy work environment. The statement enables us to align our strategies, plans and initiatives to the framework, and develop internal capability to meet future requirements.

In 2021–2022, we reviewed our work health and safety policies, procedures and guidelines to ensure best practices are in place.

Our Employee Assistance Program (provided by Benestar) provides DTIS employees and their immediate family members with free, confidential counselling sessions to help build strategies to improve mental health.

With community health so vital, and to help keep our staff healthy, the department participated in the annual influenza (flu) vaccination program. This program provided free flu vaccinations to those wishing to get them.

COVID tests were made available to DTIS employees working in frontline positions and as required in other areas to further support our health and wellbeing practices.

Industrial and employee relations framework

The *State Government Entities Certified Agreement 2015* and the *Queensland Public Service Officers and Other Employees Award – State 2015* provisions apply to all employees except for Senior Executive Service and Senior Officers.

DTIS supports the Employment Security and Union Encouragement policies, applying the principles and practices of these policies in managing the department's workforce.

Temporary employees are engaged as necessary to assist in supporting the achievement of business outcomes. DTIS continues to actively undertake

temporary employment reviews in accordance with statutory requirements.

These reviews are conducted where temporary employees have been continuously employed for two years in the same role. During 2021–2022, DTIS converted 12 employees from temporary to permanent employment status.

The department's Consultative Committee promotes meaningful consultation between the department's management and the union.

The committee deals with matters related to the *State Government Entities Certified Agreement 2019* or matters that impact on the department's workforce.

In addition, Together Union is contacted out-of-session as needed.

Ethics and code of conduct

To support the department's culture of accountability and transparency, DTIS maintains a service level agreement with the Department of State Development, Infrastructure, Local Government and Planning for the provision of specialist advice and services in relation to ethics and integrity matters.

DTIS retains responsibility for the delivery of operational activities relating to:

- complaints management

- declarations and conflicts of interests
- contact with lobbyists
- gifts and benefits reporting
- public interest disclosures
- fraud and corruption prevention.

During 2021–2022, DTIS received 17 customer complaints, with none requiring further action.

Early retirement, redundancy and retrenchment

During the period, one employee received a redundancy package at a cost of \$47,341. No early retirement or retrenchment packages were offered.

Part six

Financial performance

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- 46** OPERATING RESULT
- 48** OUTLOOK FOR 2022–2023

Financial Performance

This financial summary provides an overview of DTIS' financial performance for 2021–2022. Comprehensive financial performance information is provided in the financial statements included in Part 2 of this annual report.

2021–2022 Statement of Assurance

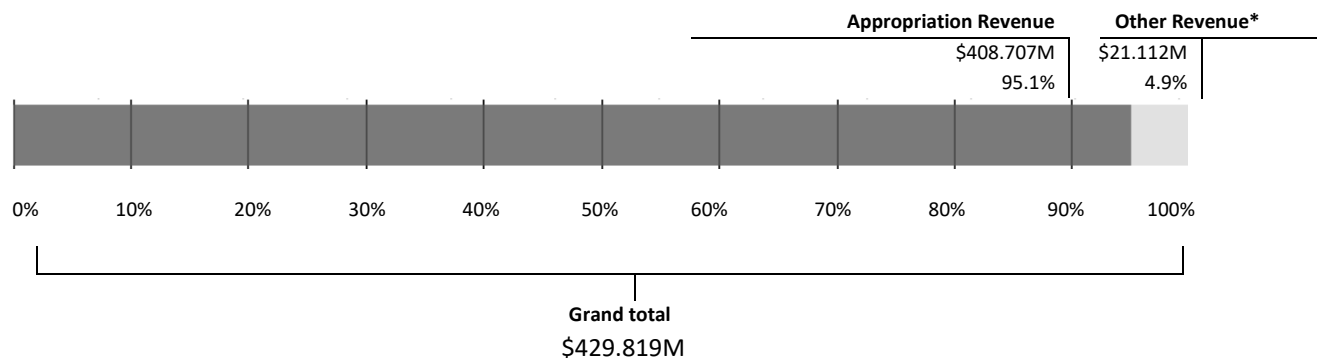
In accordance with the *Financial Accountability Act 2009*, the Chief Finance Officer has provided the Director-General with a statement that DTIS' financial internal controls are operating efficiently, effectively and economically. DTIS actively manages its financial risks and liabilities and is financially well-positioned to meet its objectives, as outlined in the *DTIS Strategic Plan 2021–2025*.

Operating result

The department's 2021–2022 result was an operating deficit of \$2.337 million.

For the 2021–2022 financial year, DTIS was primarily funded by Parliamentary appropriations (departmental services revenue) of \$408.707 million (95.1%), with the remaining funding of \$21.112 million (4.9%) from user charges and fees \$10.122 million (2.4%), grants and contributions \$7.275 million (1.7%) and the remainder from other revenue received by the department.

Income by category for year ended 30 June 2022



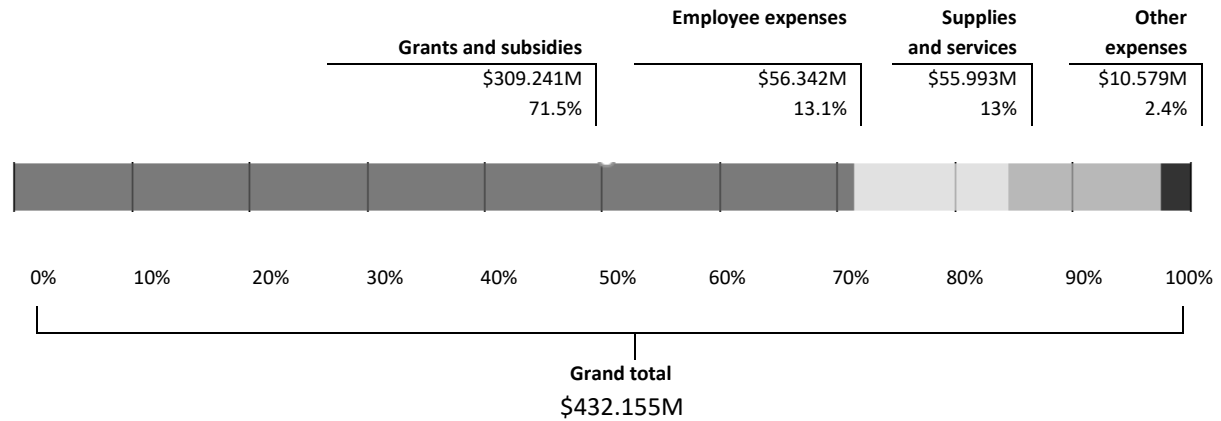
*Other revenue includes grants and other contributions and user charges and fees.

Expenses

Total operating expenses for the year were \$432.155 million, including:

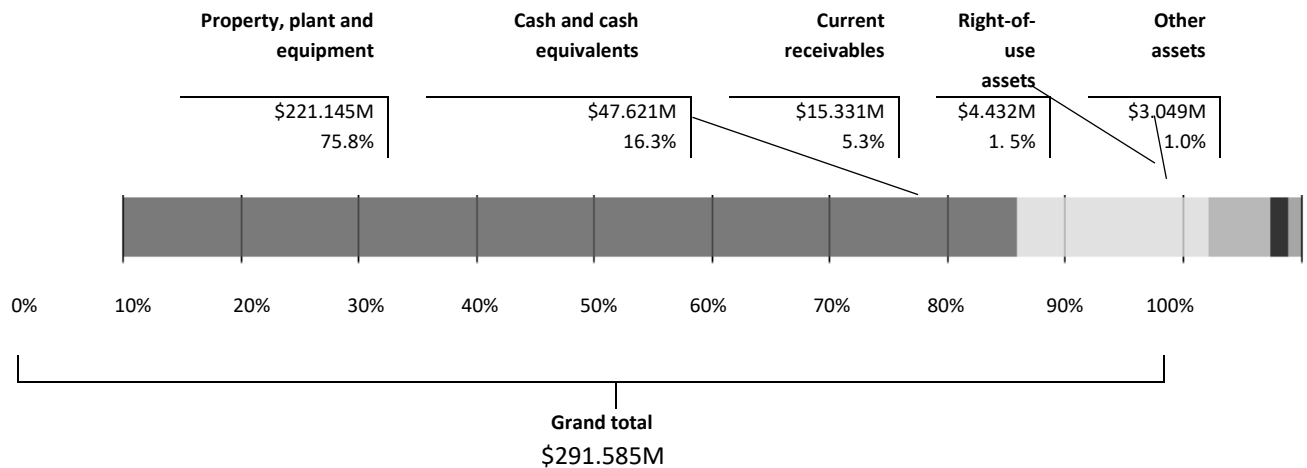
- \$309.241 million (71.5%) in grants and subsidies, including grants paid to TEQ for delivery of tourism programs and payments made to grants programs such as Queensland Tourism Icons Program, Growing Tourism Infrastructure Fund and various programs for Advance Queensland initiatives.
- \$56.342 million (13.1%) in employee expenses.
- \$55.993 million (13.0%) in supplies and services, including contractors and consultants and accommodation leasing costs.
- \$10.579 million (2.4%) in other expenses, including depreciation and amortisation.

Expenses by category for year ended 30 June 2022



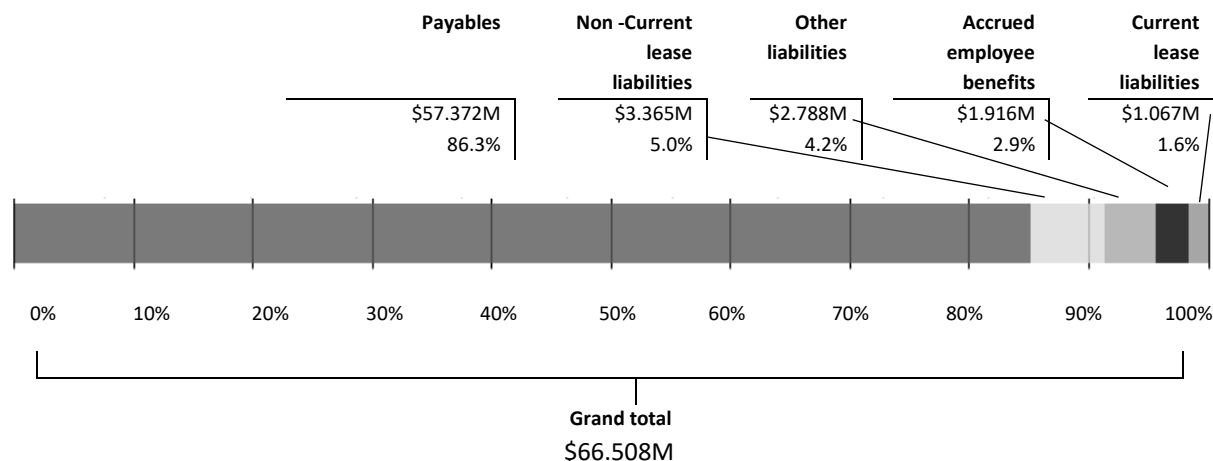
Assets

As at 30 June 2022, DTIS held assets to the value of \$291.585 million, with \$221.145 million (75.8%) held in property, plant and equipment, \$47.621 million (16.3%) as cash and cash equivalents, \$15.331 million (5.3%) as current receivables, \$4.432 million (1.5%) as right-of-use assets, \$3.049 million (1%) as other assets and the remainder as intangibles \$0.007 million (0.1%).



Liabilities

As at 30 June 2022, DTIS held liabilities to the value of \$66.508 million, with \$57.372 million (86.3%) in payables, \$3.365 million (5.0%) as non-current lease liabilities, \$2.788 million (4.2%) as other liabilities, \$1.916 million (2.9%) as accrued employee benefits and \$1.067 million (1.6%) as current lease liabilities.



Capital expenditure

DTIS made capital grant payments of \$140.8 million in 2021–2022. This includes expenditure for the Tourism Icons, GTIF 2018 and 2020, Harrup Park Great Barrier Reef Arena, Minjerribah Futures and the Ballymore Precinct Redevelopment. Additionally, DTIS made capital purchases of \$12.3 million in 2021–2022, consisting largely of capital works in progress for Queensland Active Precincts and the Wangetti Trail.

Administered funds

Administered funds are those where a department does not have control but is charged with administering the funds efficiently and effectively on a whole-of-government basis.

During 2021–2022, DTIS administered appropriation revenues of \$162.9 million, and recognised grant payments to TEQ and Stadiums Queensland).

Outlook for 2022–2023

Operating budget

Total expenses are estimated to be \$426.5 million in 2022–2023. This primarily relates to grant program expenditure for the Tourism Recovery and Development initiatives, Regional Tourism Organisation Fund, Events Boost, Global Marketing Fund, Tourism Activation Fund, Advance Queensland initiatives, Defence Cooperative Research Centre, and delivery of approved projects and new initiatives under *Activate! Queensland 2019–2029*, including funding to support recovery from recent flooding events.

Capital expenditure

The 2022–2023 budget for total capital outlays is estimated to be \$123.5 million, consisting of a spend on capital purchases and capital grants which support tourism, innovation and sport and active recreation industries recovering from the impacts of COVID-19.

Total capital purchases in 2021–2022 were \$18.4 million, and included:

- \$11.1 million provided for the Queensland Active Precincts to enhance existing state-owned sport and active recreation facilities at the Gold Coast, Sunshine Coast and Townsville, to deliver quality experiences that inspire physical activity.
- \$7.3 million allocated to deliver the Wangetti Trail, a 94-kilometre walking and mountain bike trail from Palm Cove to Port Douglas, with eco-accommodation and public facilities.

Total capital grants in 2021–2022 were \$105.1 million, and included (not a complete list):

- \$24.2 million to deliver local community sporting infrastructure to encourage Queenslanders to be more active, more often as well as working to increase health and wellbeing outcomes across the state in line with key government priorities.
- \$14.7 million provided to support sport and recreation projects for minor facility improvements that support increased opportunities for Queenslanders to participate in sport and active recreation.
- \$10 million provided for the Sunshine Coast Stadium towards the Stage 1 redevelopment.
- \$9 million is allocated to the Minjerribah Futures program to progress the construction of the Quandamooka Art Museum and Performance Institute (QUAMPI) and auxiliary infrastructure for the recreational trail.
- \$8.9 million is allocated to projects approved under the Active Game Day program to support field of play participation enhancing works that meet local community requirements.
- \$6.2 million is allocated to grants to assist sport and active recreation organisations.

Part seven

Appendices

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Appendix 1: Governance committees

| Aboriginal and Torres Strait Islander Business and Innovation Reference Group (BIRG) | | | | | |
|---|---|-------------------|---|---|----------------------|
| Act or instrument | The Aboriginal and Torres Strait Islander BIRG is not established under an Act. The Terms of Reference for the group have been established. | | | | |
| Functions | <p>The Aboriginal and Torres Strait Islander BIRG provides strategic advice to the Minister for Tourism, Innovation and Sport and Minister Assisting the Premier on Olympics and Paralympics Sport and Engagement of Queensland and the Minister for Employment and Small Business and Minister for Training and Skills Development. This advice relates to business and innovation matters that impact Aboriginal and Torres Strait Islander businesses and communities, and recommendations are provided to assist the Queensland Government in supporting the development of existing, emerging and new Aboriginal and Torres Strait Islander businesses and innovators across Queensland.</p> <p>Membership for the BIRG expired in May 2022 and the group has concluded.</p> | | | | |
| Achievements | <p>Key achievements for 2021–2022 include:</p> <ul style="list-style-type: none"> • National launch of Indigenous Business Month held in Queensland in October 2021. • Continued delivery of the <i>Deadly Innovation Strategy</i> with new industries being investigated and established on community such as vanilla bean production in Wujal Wujal, wattle seed growing in Woorabinda, Blacklip Oyster farming in Hopevale and recycling plastic to produce dive fins in Torres Strait. • Digital transformation of First Nations Communities project involving the first community owned and operated contact centre established in Cherbourg in March 2021 – with Fujitsu Australia signing on as the foundation customer, and support from a range of local, state and federal partners, this new enterprise is providing new digital career opportunities in Cherbourg. • BIRG-led industry consultation investigating the need for and scope of a state-wide representative body for the Queensland Indigenous business sector. Close to 300 Indigenous businesses from across Queensland were consulted through an online survey, yarning circles and events. • BIRG’s proposal to establish a representative body independent of government was endorsed at its meeting on 19 May 2022. An industry working group to be supported by the Department of Employment, Small Business and Training has been established to take this proposal forward. | | | | |
| Financial reporting | All operating and administrative costs associated with the body are paid for by the department’s core funding. The body’s costs are contained within the department’s financial statements, audited by the QAO annually. | | | | |
| Remuneration: All positions are voluntary. However, DTIS bears the cost of remunerating members for reasonable out-of-pocket expenses associated with meeting attendance. | | | | | |
| Position | Name | Meetings attended | Approved annual, sessional or daily fee | Approved sub-committee fees if applicable | Actual fees received |
| Co-Chairperson | Minister for Tourism, Innovation and Sport and Minister Assisting the Premier on Olympics and Paralympics Sport and Engagement | 4 | N/A | N/A | N/A |
| Co-Chairperson | Minister for Employment and Small Business and Minister for Training and Skills Development | 3 | N/A | N/A | N/A |

| | | | | | |
|---------------------------------|---------------------|---|-----|-----|-----|
| Member | Leann Wilson | 1 | N/A | N/A | N/A |
| Member | Colin Saltmere | 4 | N/A | N/A | N/A |
| Member | Leesa Watego | 4 | N/A | N/A | N/A |
| Member | Julie-ann Lambourne | 4 | N/A | N/A | N/A |
| Member | Shane Kennelly | 4 | N/A | N/A | N/A |
| Member | Mundanara Bayles | 0 | N/A | N/A | N/A |
| Member | Noel Niddrie | 3 | N/A | N/A | N/A |
| Member | Steven Noy | 1 | N/A | N/A | N/A |
| Member | Kantesha Takai | 1 | N/A | N/A | N/A |
| Member | Leah Cameron | 3 | N/A | N/A | N/A |
| Member | Karen Seage | 0 | N/A | N/A | N/A |
| Associate Member | Ross Andrews | 3 | N/A | N/A | N/A |
| Associate Member | Wayne Butcher | 0 | N/A | N/A | N/A |
| No. scheduled meetings/sessions | 4 | | | | |
| Total out-of-pocket expenses | Nil | | | | |

| Board of the Queensland Academy of Sport | | | | | |
|---|--|--------------------------------|---|---|----------------------|
| Act or instrument | Not established under an Act. | | | | |
| Functions | To advise on the overall strategic direction of the QAS. | | | | |
| Achievements | <p>In 2021–2022, the former QAS Board held its final meeting, and the current QAS Board met six times with key achievements including:</p> <ul style="list-style-type: none"> • Providing advice and guidance on the implementation of the QAS 2032 <i>High Performance Strategy</i> and performance investment. • Ensuring Queensland athletes and coaches were best prepared for the 2022 Beijing Winter Olympic and Paralympic Games, and the 2022 Birmingham Commonwealth Games. • Providing advice on key strategic governance projects. | | | | |
| Financial reporting | The board is an advisory body and does not have financial responsibilities. | | | | |
| Remuneration: Board members are remunerated according to the Queensland Government’s pre-existing remuneration arrangements as identified in the table below. | | | | | |
| Position | Name | Meetings attended in 2021–2022 | Approved annual, sessional or daily fee | Approved sub-committee fees if applicable | Actual fees received |
| Current Board | | | | | |
| Chairperson | Paula Robinson | 6 | \$195 | N/A | \$1,170 |
| Member | Renita Gerard AM OLY | 6 | \$150 | N/A | \$900 |
| Member | Bridie Kean | 6 | \$150 | N/A | \$900 |
| Member | Sonya Ryan | 5 | \$150 | N/A | \$750 |
| Member | Shayne Gilbert | 6 | \$150 | N/A | \$900 |
| Member | Laurie Malone | 5 | \$150 | N/A | \$750 |
| Member | Peter Blanch | 4 | \$150 | N/A | \$600 |
| Guest | Peter Blanch | 1 ¹ | N/A | N/A | N/A |

¹One meeting attended as an observer before being officially appointed as a member.

| Position | Name | Meetings attended in 2021–2022 | Approved annual, sessional or daily fee | Approved sub-committee fees if applicable | Actual fees received |
|--|---------------------|--------------------------------|---|---|----------------------|
| Former Board – final meeting (28 July 2021) | | | | | |
| Chairperson | Paula Robinson | 1 | \$195 | N/A | \$195 |
| Member | Naomi McCarthy | 1 | \$150 | N/A | \$150 |
| Member | Ann Marie White | 1 | \$150 | N/A | \$150 |
| Member | Ray Epstein | 1 | \$150 | N/A | \$150 |
| Member | Anita Hobson-Powell | 1 | \$150 | N/A | \$150 |
| Member | Matt Miller | 1 | \$150 | N/A | \$150 |
| No. scheduled meetings/sessions | 7 ² | | | | |
| Total out-of-pocket expenses | \$6165 | | | | |

²Includes the final meeting of the former Board held on 28 July 2021.

| Innovation Advisory Council | | | | | |
|---|--|-------------------|---|---|----------------------|
| Act or instrument | The Innovation Advisory Council (IAC) is not established under an Act. The Terms of Reference for the group have been established. | | | | |
| Functions | The IAC provides independent expert advice to the Responsible Minister, the government and innovation ecosystem stakeholders on key innovation priorities, strategies and opportunities that will accelerate Queensland’s economic recovery and jobs growth, and actively champions, accelerates and amplifies innovation and entrepreneurship in Queensland. | | | | |
| Achievements | <p>Key achievements for 2021–2022 include:</p> <ul style="list-style-type: none"> • Developed areas of focus and consideration to guide the activities of the IAC • Hosted: <ul style="list-style-type: none"> – roundtables on talent development and talent attraction in partnership with Trade and Investment Queensland – an investor event with an audience with close to one trillion dollars’ worth of capital – a panel session with Board Directors from Corporate organisations – a Youth Entrepreneurs Forum – an Innovation in the C-Suite event with Corporate Executives • Provided advice and input into Departmental programs • Undertook speaking, mentoring and advising opportunities at the Tropical Innovation Festival in Cairns. | | | | |
| Financial reporting | All operating and administrative costs associated with the body are paid for by the department’s core funding. The body’s costs are contained within the department’s financial statements, audited by the QAO annually. | | | | |
| Remuneration: All positions are voluntary. However, DTIS bears the cost of remunerating members for reasonable out-of-pocket expenses associated with meeting attendance. | | | | | |
| Position | Name | Meetings attended | Approved annual, sessional or daily fee | Approved sub-committee fees if applicable | Actual fees received |
| Chairperson | Professor Rowena Barrett | 11 | N/A | N/A | N/A |
| Member | Aaron Birkby | 9 | N/A | N/A | N/A |
| Member | Amelia St Baker | 2 | N/A | N/A | N/A |
| Guest | Amelia St Baker | 5 | N/A | N/A | N/A |
| Member | Bronwyn Harch | 5 | N/A | N/A | N/A |
| Member | Christine Williams | 3 | N/A | N/A | N/A |
| Guest | Christine Williams | 8 | N/A | N/A | N/A |
| Member | Dan Argent | 3 | N/A | N/A | N/A |
| Guest | Dan Argent | 8 | N/A | N/A | N/A |

| | | | | | |
|---------------------------------|---|----|-----|-----|-----|
| Guest | John Lee | 2 | N/A | N/A | N/A |
| Member | Julia Spicer | 3 | N/A | N/A | N/A |
| Guest | Julia Spicer | 7 | N/A | N/A | N/A |
| Member | Monica Bradley | 11 | N/A | N/A | N/A |
| Member | Natalie Cook | 3 | N/A | N/A | N/A |
| Guest | Natalie Cook | 4 | N/A | N/A | N/A |
| Member | Nicholas Guest | 3 | N/A | N/A | N/A |
| Guest | Nicholas Guest | 6 | N/A | N/A | N/A |
| Guest | Sue Johnson | 6 | N/A | N/A | N/A |
| Member | Wayne Gerard | 10 | N/A | N/A | N/A |
| No. scheduled meetings/sessions | 12 sessions were planned with one cancelled session in March 2022 | | | | |
| Total out-of-pocket expenses | Nil | | | | |

| Suncorp Stadium Management Advisory Committee | | | | | |
|--|--|-------------------|---|---|----------------------|
| Act or instrument | Not established under an Act. | | | | |
| Functions | The committee was established by and reporting to the commercial operator of Suncorp Stadium. It was established as a requirement of the Development Approval for the redevelopment of Suncorp Stadium and is required for stakeholder and community relations. | | | | |
| Achievements | The committee endorsed the staging of Nitro World Games in October 2021 and the continual upgrades to the Transport Management Plan to meet community needs. The committee also continued to represent community and business interest for those within the Suncorp Stadium Precinct. | | | | |
| Financial reporting | N/A | | | | |
| Remuneration: Members are not remunerated. | | | | | |
| Position | Name | Meetings attended | Approved annual, sessional or daily fee | Approved sub-committee fees if applicable | Actual fees received |
| Chairperson | Alan Graham | 2 | N/A | N/A | N/A |
| Member | Karen Dare | 2 | N/A | N/A | N/A |
| Member | Sarosh Mehta | 1 | N/A | N/A | N/A |
| Member | Amerson Stephenson | 2 | N/A | N/A | N/A |
| Member | Steve Rudlin | 2 | N/A | N/A | N/A |
| Member | Andrew Stephenson | 2 | N/A | N/A | N/A |
| Ex-Officio | Ward of Paddington Councillor | 1 | N/A | N/A | N/A |
| Ex-Officio | Ex-Officio Member Translink | 1 | N/A | N/A | N/A |
| Ex-Officio | Queensland Police Service Brisbane Central District | 1 | N/A | N/A | N/A |
| Ex-Officio | Queensland Fire and Emergency Services Area Command – Roma Street | 2 | N/A | N/A | N/A |
| Ex-Officio | Member for Cooper Ex-Officio Member | 1 | N/A | N/A | N/A |
| Ex-Officio | Queensland Ambulance Service Operations, Metro North | 0 | N/A | N/A | N/A |
| No. scheduled meetings/sessions | 2 | | | | |
| Total out-of-pocket expenses | Nil | | | | |

Appendix 2: Glossary

| Term | Definition |
|---------|--|
| ARMC | Audit and Risk Management Committee |
| ARRs | Annual report requirements for Queensland Government agencies |
| BIRG | Business and Innovation Reference Group |
| DAF-ITP | Information and Technology Partners, Department of Agriculture and Fisheries |
| DISC | Digital and Information Steering Committee |
| DTIS | Department of Tourism, Innovation and Sport |
| DRFA | Disaster Recovery Funding Arrangements |
| eDRMS | electronic Document Records Management System |
| ELT | Executive Leadership Team |
| FAA | <i>Financial Accountability Act 2009</i> |
| FPMS | <i>Financial and Performance Management Standard 2019</i> |
| GBR | Great Barrier Reef |
| GITQ | Growing Indigenous Tourism in Queensland |
| GST | Goods and Services Tax |
| GTIF | Growing Tourism Infrastructure Fund |
| HR Act | <i>Human Rights Act 2019</i> |
| ICT | Information and Communications Technology |
| IET | International Education and Training |
| IETAG | International Education and Training Advisory Group |
| ISMS | Information Security Management System |
| MOHRI | Minimum Obligatory Human Resources Information |
| QAO | Queensland Audit Office |
| QAS | Queensland Academy of Sport |
| TEQ | Tourism and Events Queensland |
| WHW | Work Health and Wellbeing |
| WHWC | Work Health and Wellness Committee |

Appendix 3: Compliance checklist

| Summary of requirement | | Basis for requirement | Annual report reference |
|---|--|--|-------------------------|
| Letter of compliance | <ul style="list-style-type: none"> A letter of compliance from the accountable officer or statutory body to the relevant Minister/s | ARRs – section 7 | Page 4 |
| Accessibility | <ul style="list-style-type: none"> Table of contents | ARRs – section 9.1 | 2 |
| | <ul style="list-style-type: none"> Glossary | | 58 |
| | <ul style="list-style-type: none"> Public availability | ARRs – section 9.2 | 1 |
| | <ul style="list-style-type: none"> Interpreter service statement | Queensland Government Language Services Policy ARRs – section 9.3 | 1 |
| | <ul style="list-style-type: none"> Copyright notice | Copyright Act 1968 ARRs – section 9.4 | 1 |
| | <ul style="list-style-type: none"> Information Licensing | QGEA – Information Licensing ARRs – section 9.5 | 1 |
| General information | <ul style="list-style-type: none"> Introductory Information | ARRs – section 10 | 6 |
| Non-financial performance | <ul style="list-style-type: none"> Government’s objectives for the community and whole-of-government plans/specific initiatives | ARRs – section 11.1 | 7 |
| | <ul style="list-style-type: none"> Agency objectives and performance indicators | ARRs – section 11.2 | 15 |
| | <ul style="list-style-type: none"> Agency service areas and service standards | ARRs – section 11.3 | 15 |
| Financial performance | <ul style="list-style-type: none"> Summary of financial performance | ARRs – section 12.1 | 45 |
| Governance – management and structure | <ul style="list-style-type: none"> Organisational structure | ARRs – section 13.1 | 12 |
| | <ul style="list-style-type: none"> Executive management | ARRs – section 13.2 | 8 |
| | <ul style="list-style-type: none"> Government bodies (statutory bodies and other entities) | ARRs – section 13.3 | 51 |
| | <ul style="list-style-type: none"> Public Sector Ethics | Public Sector Ethics Act 1994 ARRs – section 13.4 | 44 |
| | <ul style="list-style-type: none"> Human Rights | Human Rights Act 2019 ARRs – section 13.5 | 39 |
| | <ul style="list-style-type: none"> Queensland public service values | ARRs – section 13.6 | 41 |
| Governance – risk management and accountability | <ul style="list-style-type: none"> Risk management | ARRs – section 14.1 | 37 |
| | <ul style="list-style-type: none"> Audit committee | ARRs – section 14.2 | 33 |
| | <ul style="list-style-type: none"> Internal audit | ARRs – section 14.3 | 37 |
| | <ul style="list-style-type: none"> External scrutiny | ARRs – section 14.4 | 37 |
| | <ul style="list-style-type: none"> Information systems and recordkeeping | ARRs – section 14.5 | 38 |
| | <ul style="list-style-type: none"> Information Security attestation | ARRs – section 14.6 | 38 |
| | <ul style="list-style-type: none"> Strategic workforce planning and performance | ARRs – section 15.1 | 41 |

| Summary of requirement | | Basis for requirement | Annual report reference |
|------------------------------|---|--|---|
| Governance – human resources | <ul style="list-style-type: none"> • Early retirement, redundancy and retrenchment | Directive No.04/18 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2 | 44 |
| Open Data | <ul style="list-style-type: none"> • Statement advising publication of information | ARRs – section 16 | 38 |
| | <ul style="list-style-type: none"> • Consultancies | ARRs – section 31.1 | https://data.qld.gov.au |
| | <ul style="list-style-type: none"> • Overseas travel | ARRs – section 31.2 | https://data.qld.gov.au |
| | <ul style="list-style-type: none"> • Queensland Language Services Policy | ARRs – section 31.3 | https://data.qld.gov.au |
| Financial statements | <ul style="list-style-type: none"> • Certification of financial statements | FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1 | 61 |
| | <ul style="list-style-type: none"> • Independent Auditor’s Report | FAA – section 62 FPMS – section 46 ARRs – section 17.2 | 61 |

Appendix 4: Financial statements

Department of Tourism, Innovation and Sport
Financial Statements for the year ended 30 June 2022

Contents

Statement of Comprehensive Income
Statement of Financial Position
Statement of Changes in Equity
Statement of Cash Flows (including Notes to the Statement of Cash Flows)
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Management Certificate
Independent Auditor's Report

General information

The Department of Tourism, Innovation and Sport (the department) is a Queensland Government department established under the *Public Service Act 2008* and controlled by the State of Queensland, which is the ultimate parent.

The head office and principal place of business of the department is Level 34, 1 William 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 statements please call 13 QGOV (13 74 68), email dtis.finance@dtis.qld.gov.au or visit the department's website <https://www.dtis.qld.gov.au>.

Department of Tourism, Innovation and Sport
Statement of Comprehensive Income for the year ended 30 June 2022

| | | 2022 Actual \$'000 | 2022 Original budget \$'000 | 2022 Budget variance* \$'000 | 2021 Actual \$'000 |
|--|-------------|--------------------------|--------------------------------------|---------------------------------------|--------------------------|
| OPERATING RESULT | Note | | | | |
| Income | | | | | |
| Appropriation revenue | 3 | 408,707 | 377,073 | 31,634 | 378,720 |
| User charges and fees | 4 | 10,122 | 9,041 | 1,081 | 15,946 |
| Grants and other contributions | 5 | 7,275 | 5,577 | 1,698 | 21,703 |
| Land sales | | - | - | - | 9,804 |
| Interest | | - | - | - | 4,876 |
| Other revenue | 6 | 3,275 | 363 | 2,912 | 5,255 |
| Total revenue | | 429,379 | 392,054 | 37,325 | 436,303 |
| Gains on disposal and remeasurement of assets | | 440 | - | 440 | 300 |
| Total income | | 429,819 | 392,054 | 37,765 | 436,603 |
| Expenses | | | | | |
| Employee expenses | 7 | 56,342 | 69,739 | (13,397) | 77,833 |
| Supplies and services | 8 | 55,993 | 46,206 | 9,787 | 67,865 |
| Grants and subsidies | 9 | 309,241 | 270,180 | 39,061 | 283,566 |
| Impairment losses | | 47 | - | 47 | 3,320 |
| Finance/borrowing costs | | 71 | 68 | 3 | 2,404 |
| Depreciation and amortisation | | 6,080 | 5,137 | 943 | 4,071 |
| Revaluation decrement | | - | - | - | 440 |
| Cost of land sales | | - | - | - | 6,918 |
| Land inventory written off | | - | - | - | 2,609 |
| Other expenses | 10 | 4,380 | 924 | 3,456 | 4,192 |
| Total expenses | | 432,155 | 392,254 | 39,901 | 453,218 |
| Operating result before income tax equivalent | | (2,337) | (200) | (2,137) | (16,616) |
| Income tax equivalents | | - | - | - | 4,577 |
| Operating result after income tax equivalent | | (2,337) | (200) | (2,137) | (12,039) |
| OTHER COMPREHENSIVE INCOME | | | | | |
| Increase in asset revaluation surplus | | 7,730 | - | 7,730 | 308 |
| TOTAL OTHER COMPREHENSIVE INCOME | | 7,730 | - | 7,730 | 308 |
| TOTAL COMPREHENSIVE INCOME | | 5,393 | (200) | 5,593 | (11,731) |

* An explanation of major variances is included at Note 24.

The accompanying notes form part of these financial statements.

Department of Tourism, Innovation and Sport
Statement of Financial Position as at 30 June 2022

| | | 2022 | 2022 | 2022 | 2021 |
|--------------------------------------|------|----------------|----------------|-----------------|----------------|
| | | Actual | Original | Budget | Actual |
| | Note | \$'000 | budget | variance* | \$'000 |
| | | | \$'000 | \$'000 | |
| Current assets | | | | | |
| Cash and cash equivalents | 11 | 47,621 | 3,197 | 44,424 | 6,127 |
| Receivables | 12 | 15,331 | 5,100 | 10,231 | 12,184 |
| Other assets | 13 | 3,049 | 2,191 | 858 | 9,256 |
| Total current assets | | 66,001 | 10,488 | 55,513 | 27,567 |
| Non-current assets | | | | | |
| Property, plant and equipment | 14 | 221,145 | 228,360 | (7,215) | 203,935 |
| Right-of-use assets | 18 | 4,432 | 14,043 | (9,611) | 5,249 |
| Intangible assets | | 7 | 22 | (15) | 15 |
| Total non-current assets | | 225,584 | 242,425 | (16,841) | 209,199 |
| Total assets | | 291,585 | 252,913 | 38,672 | 236,767 |
| Current liabilities | | | | | |
| Payables | 15 | 57,372 | 7,076 | 50,296 | 13,082 |
| Accrued employee benefits | 16 | 1,916 | 1,535 | 381 | 1,430 |
| Lease liabilities | | 1,067 | 1,898 | (831) | 1,067 |
| Other liabilities | 17 | 2,788 | 1,757 | 1,031 | 1,610 |
| Total current liabilities | | 63,143 | 12,266 | 50,877 | 17,189 |
| Non-current liabilities | | | | | |
| Lease liabilities | | 3,365 | 2,324 | 1,041 | 4,172 |
| Total non-current liabilities | | 3,365 | 2,324 | 1,041 | 4,172 |
| Total liabilities | | 66,508 | 14,590 | 51,918 | 21,362 |
| Net assets | | 225,077 | 238,323 | (13,246) | 215,405 |
| Equity | | | | | |
| Contributed equity | | 230,549 | 221,367 | 9,182 | 226,270 |
| Accumulated surplus/(deficit) | | (13,577) | 7,164 | (20,741) | (11,240) |
| Asset revaluation surplus | | 8,105 | 9,792 | (1,687) | 375 |
| Total Equity | | 225,077 | 238,323 | (13,246) | 215,405 |

*An explanation of major variances is included at Note 24.

The accompanying notes form part of these financial statements.

Department of Tourism, Innovation and Sport
Statement of Changes in Equity for the year ended 30 June 2022

| | Note | Contributed Equity \$'000 | Accumulated Surplus/(Deficit) \$'000 | Revaluation Surplus \$'000 | Total \$'000 |
|--|------|---------------------------------|--|----------------------------------|------------------|
| Balance as at 1 July 2020 | | 932,807 | 799 | 68 | 933,674 |
| Operating result | | - | (12,039) | - | (12,039) |
| Other comprehensive income | | | | | |
| Increase in asset revaluation surplus | | - | - | 308 | 308 |
| Total Comprehensive Income for the Year | | - | (12,039) | 308 | (11,731) |
| Transactions with Owners as Owners: | | | | | |
| Appropriated equity injections | | 16,860 | - | - | 16,860 |
| Appropriated equity withdrawals | | (1,460) | - | - | (1,460) |
| Appropriated equity injections transferred in through MoG changes | | 10,811 | - | - | 10,811 |
| Appropriated equity withdrawals transferred in through MoG changes | | (1,030) | - | - | (1,030) |
| Balance transferred out through MoG changes | | (745,379) | - | - | (745,379) |
| Non-appropriated equity injections | | 13,890 | - | - | 13,890 |
| Non-appropriated equity withdrawals | | (229) | - | - | (229) |
| Net Transactions with Owners as Owners | | (706,537) | - | - | (706,537) |
| Balance as at 30 June 2021 | | 226,270 | (11,240) | 375 | 215,405 |
| Balance as at 1 July 2021 | | 226,270 | (11,240) | 375 | 215,405 |
| Operating Result | | | | | |
| Operating result from continuing operations | | - | (2,337) | - | (2,337) |
| Other comprehensive income | | | | | |
| Increase in asset revaluation surplus | | - | - | 7,730 | 7,730 |
| Total Comprehensive Income for the Year | | - | (2,337) | 7,730 | 5,393 |
| Transactions with Owners as Owners: | | | | | |
| Appropriated equity injections | | 12,771 | - | - | 12,771 |
| Appropriated equity withdrawals | | (8,492) | - | - | (8,492) |
| Net Transactions with Owners as Owners | 3 | 4,279 | - | - | 4,279 |
| Balance as at 30 June 2022 | | 230,549 | (13,577) | 8,105 | 225,077 |

The accompanying notes form part of these financial statements.

Department of Tourism, Innovation and Sport
Statement of Cash Flows for the year ended 30 June 2022

| | | 2022 | 2022 | 2022 | 2021 |
|---|------|-----------------|-----------------|------------------|-----------------|
| | | Actual | Original budget | Budget variance* | Actual |
| | Note | \$'000 | \$'000 | \$'000 | \$'000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| <i>Inflows:</i> | | | | | |
| Appropriation receipts | 3 | 442,164 | 377,073 | 65,091 | 373,352 |
| User charges and fees | | 6,977 | 8,990 | (2,013) | 1,855 |
| Land sales | | - | - | - | 9,804 |
| Grants and other contributions | | 9,101 | 5,577 | 3,524 | 27,354 |
| GST input tax credits from ATO | | 19,878 | 8,587 | 11,291 | 31,280 |
| GST collected from customers | | 1,312 | 904 | 408 | 3,329 |
| Interest receipts | | - | - | - | 4,005 |
| Other inflows | | 3,275 | 363 | 2,912 | 3,968 |
| <i>Outflows:</i> | | | | | |
| Employee expenses | | (56,508) | (69,973) | 13,465 | (78,921) |
| Supplies and services | | (45,503) | (45,770) | 267 | (58,379) |
| Cost of land sales | | - | - | - | (6,918) |
| Grants and subsidies | | (309,573) | (271,627) | (37,946) | (300,361) |
| GST paid to suppliers | | (19,745) | (8,579) | (11,166) | (30,805) |
| GST remitted to ATO | | (1,588) | (904) | (684) | (3,162) |
| Finance/borrowing costs | | (71) | (68) | (3) | (2,357) |
| Income tax equivalents | | - | - | - | 4,577 |
| Other outflows | | (4,380) | (924) | (3,456) | (16,123) |
| Net cash provided by operating activities | | 45,338 | 3,649 | 41,689 | (37,501) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| <i>Inflows:</i> | | | | | |
| Sales of property, plant and equipment | | 1,387 | - | 1,387 | - |
| <i>Outflows:</i> | | | | | |
| Payments for property, plant and equipment | | (15,682) | (27,427) | 11,745 | (19,764) |
| Payments for intangibles | | - | - | - | (39) |
| Loans and advances made | | - | - | - | (2,236) |
| Net cash used in investing activities | | (14,295) | (27,427) | 13,132 | (22,038) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | |
| <i>Inflows:</i> | | | | | |
| Equity injections - appropriated | | 12,771 | 24,957 | (12,186) | 27,671 |
| Equity injections - non-appropriated | | - | - | - | 12,684 |
| Proceeds from borrowings | | - | - | - | 8,031 |
| <i>Outflows:</i> | | | | | |
| Equity withdrawals - appropriated | | (1,512) | (1,460) | (52) | (2,490) |
| Equity withdrawals - non-appropriated | | - | - | - | (229) |
| Lease payments | | (807) | (1,016) | 209 | - |
| Borrowing redemptions | | - | - | - | (24,189) |
| Net cash provided by financing activities | | 10,452 | 22,481 | (12,029) | 21,478 |
| Net decrease in cash and cash equivalents | | 41,494 | (1,297) | 42,791 | (38,062) |
| Increase/(decrease) in cash and cash equivalents from restructuring | | - | (10) | 10 | (117,324) |
| Cash and cash equivalents – opening balance | | 6,127 | 4,504 | 1,623 | 161,513 |
| Cash and cash equivalents – closing balance | 11 | 47,621 | 3,197 | 44,424 | 6,127 |

* An explanation of major variances is included at Notes 24.

The accompanying notes form part of these financial statements.

Department of Tourism, Innovation and Sport
Statement of Cash Flows for the year ended 30 June 2022

Notes to the Statement of Cash Flows for the year ended 30 June 2022

Reconciliation of operating result to net cash provided by operating activities

| | 2022 \$'000 | 2021 \$'000 |
|---|----------------|-----------------|
| Operating deficit | (2,337) | (12,039) |
| <i>Non-cash items included in operating result:</i> | | |
| Depreciation and amortisation expense | 6,080 | 4,071 |
| Asset Revaluation Surplus | - | (308) |
| Net gain on disposal of property, plant and equipment and intangible assets | 1,131 | (238) |
| Net goods and service received below fair value | (17) | (242) |
| Impairment loss reversals - receivables | - | (58) |
| Impairment losses | 47 | 50 |
| Revaluation increment | (440) | (703) |
| Revaluation decrement | - | 440 |
| Notional Interest | - | (1,292) |
| Loss on discounted loans advanced at concessional rates | - | 571 |
| Other non-cash items | (354) | (7,271) |
| <i>Change in assets and liabilities</i> | | |
| (Increase)/decrease in appropriation revenue receivable | - | 19,221 |
| (Increase)/decrease in appropriation payable to Consolidated Fund | 33,457 | (25,711) |
| (Increase)/decrease in receivables | 1,180 | (6,344) |
| (Increase)/decrease in equity injection receivable | - | 10,811 |
| (Increase)/decrease in other current receivables | (4,300) | (58) |
| (Increase)/decrease in other current assets | - | (73) |
| (Increase)/decrease in LSL levy reimbursement receivables | (21) | 82 |
| (Increase)/decrease in annual leave levy reimbursement receivables | (110) | (764) |
| (Increase)/decrease in inventories | - | (4,476) |
| (Increase)/decrease in deferred tax asset | - | (2,195) |
| (Increase)/decrease in prepayments | 6,207 | 19,265 |
| Increase/(decrease) in payables | 4,647 | (9,921) |
| Increase/(decrease) in accrued employee benefits | 486 | (221) |
| (Increase)/decrease in GST receivables | (143) | 642 |
| Increase/(decrease) in grants payable | (547) | (17,481) |
| Increase/(decrease) in other liabilities | 371 | (3,224) |
| Increase/(decrease) in provisions | - | (36) |
| Net cash provided by operating activities | <u>45,338</u> | <u>(37,501)</u> |

Changes in liabilities arising from financing activities

| 2022 | Non-Cash Changes | | | | Cash Flows | | Closing Balance \$'000 |
|-----------------------------|---------------------------|--|-------------------------------|-----------------|-------------------------|---------------------------|---------------------------|
| | Opening Balance \$'000 | Transfers due to MoG changes \$'000 | New leases acquired \$'000 | Other \$'000 | Cash Received \$'000 | Cash Repayments \$'000 | |
| Lease liabilities (Note 18) | 5,239 | - | - | - | - | (807) | 4,432 |
| Total | <u>5,239</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(807)</u> | <u>4,432</u> |
| | | | | | | | |
| 2021 | Non-Cash Changes | | | | Cash Flows | | Closing Balance \$'000 |
| | Opening Balance \$'000 | Transfers due to MoG changes \$'000 | New leases acquired \$'000 | Other \$'000 | Cash Received \$'000 | Cash Repayments \$'000 | |
| Lease liabilities (Note 18) | 405 | 4,862 | - | - | - | (28) | 5,239 |
| QTC borrowings | 163,146 | (146,987) | - | - | 8,031 | (24,189) | - |
| Total | <u>163,551</u> | <u>(142,125)</u> | <u>-</u> | <u>-</u> | <u>8,031</u> | <u>(24,217)</u> | <u>5,239</u> |

Department of Tourism, Innovation and Sport

Statement of Comprehensive Income by Major Departmental Services and Commercialised Business Unit for the year ended 30 June 2022

| | Develop the Economy ¹ | | Business and Economic Growth ² | | Advancing Queensland through Innovation | | Tourism Industry Development | |
|--|----------------------------------|----------------|---|-----------------|---|---------------|------------------------------|----------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Income | | | | | | | | |
| Appropriation revenue | - | 104,046 | - | - | 39,658 | 54,387 | 209,333 | 132,696 |
| User charges and fees | - | 7,011 | - | 4,353 | 1,873 | 1,039 | - | 655 |
| Grants and other contributions | - | 4,518 | - | 1,700 | 48 | 114 | 5,278 | 12,734 |
| Land sales | - | - | - | 9,804 | - | - | - | - |
| Interest | - | 908 | - | 3,968 | - | - | - | - |
| Other revenue | - | 87 | - | 13 | - | 734 | 77 | 4,028 |
| Total revenue | - | 116,570 | - | 19,838 | 41,579 | 56,275 | 214,688 | 150,113 |
| Gains on disposal and remeasurement of assets | - | - | - | 10 | - | 56 | - | 1 |
| Total income | - | 116,570 | - | 19,848 | 41,579 | 56,330 | 214,688 | 150,114 |
| Expenses | | | | | | | | |
| Employee expenses | - | 29,993 | - | 6,630 | 10,623 | 10,123 | 8,833 | 12,380 |
| Supplies and services | - | 16,537 | - | 9,633 | 9,904 | 10,344 | 9,738 | 12,486 |
| Grants and subsidies | - | 68,885 | - | 632 | 20,194 | 34,612 | 195,978 | 124,609 |
| Impairment losses | - | - | - | 3,270 | - | 50 | 3 | - |
| Finance/borrowing costs | - | 281 | - | 2,076 | - | - | - | - |
| Depreciation and amortisation | - | 332 | - | 100 | 1,038 | 1,055 | 1 | 24 |
| Revaluation decrement | - | 421 | - | - | - | - | - | - |
| Cost of land sales | - | - | - | 6,918 | - | - | - | - |
| Land inventory written off | - | - | - | 2,609 | - | - | - | - |
| Other expenses | - | 121 | - | 3,236 | 135 | 149 | 419 | 630 |
| Total expenses | - | 116,570 | - | 35,104 | 41,894 | 56,333 | 214,972 | 150,129 |
| Operating result before income tax equivalent | - | - | - | (15,257) | (315) | (3) | (284) | (15) |
| Income tax equivalents | - | - | - | 4,577 | - | - | - | - |
| Operating result after income tax equivalent | - | - | - | (10,680) | (315) | (3) | (284) | (15) |
| OTHER COMPREHENSIVE INCOME | | | | | | | | |
| Increase/(decrease) in asset revaluation surplus | - | 122 | - | - | - | - | - | - |
| TOTAL OTHER COMPREHENSIVE INCOME | - | 122 | - | - | - | - | - | - |
| TOTAL COMPREHENSIVE INCOME | - | 122 | - | (10,680) | (315) | (3) | (284) | (15) |

¹ Function was transferred to Queensland Treasury (QT) and Department of State Development, Infrastructure, Local Government and Planning (DSDILGP) as part of machinery-of-Government (MoG) changes effective 1 December 2020.

² This relates to Economic Development Queensland (EDQ), a Commercialised Business Unit (CBU) of the department that was transferred to DSDILGP as part of the MoG changes effective 1 December 2020.

Refer to Note 2 of the financial statements for a description of major departmental services.

Department of Tourism, Innovation and Sport

Statement of Comprehensive Income by Major Departmental Services and Commercialised Business Unit for the year ended 30 June 2022

| | Sport and Recreation ³ | | Inter-Service/Unit Eliminations | | Total | |
|--|-----------------------------------|----------------|------------------------------------|----------------|----------------|-----------------|
| | 2022 \$'000 | 2021 \$'000 | 2022 \$'000 | 2021 \$'000 | 2022 \$'000 | 2021 \$'000 |
| Income | | | | | | |
| Appropriation revenue | 159,716 | 87,591 | - | - | 408,707 | 378,720 |
| User charges and fees | 8,249 | 5,427 | - | (2,539) | 10,122 | 15,946 |
| Grants and other contributions | 1,948 | 4,239 | - | (1,602) | 7,275 | 21,703 |
| Land sales | - | - | - | - | - | 9,804 |
| Interest | - | - | - | - | - | 4,876 |
| Other revenue | 3,199 | 393 | - | - | 3,275 | 5,255 |
| Total revenue | 173,112 | 97,650 | - | (4,141) | 429,379 | 436,303 |
| Gains on disposal and remeasurement of assets | 440 | 233 | - | - | 440 | 300 |
| Total income | 173,552 | 97,883 | - | (4,141) | 429,819 | 436,603 |
| Expenses | | | | | | |
| Employee expenses | 36,887 | 18,350 | - | 357 | 56,342 | 77,833 |
| Supplies and services | 36,351 | 21,404 | - | (2,539) | 55,993 | 67,865 |
| Grants and subsidies | 93,070 | 56,528 | - | (1,700) | 309,241 | 283,566 |
| Impairment losses | 45 | - | - | - | 47 | 3,320 |
| Finance/borrowing costs | 71 | 47 | - | - | 71 | 2,404 |
| Depreciation and amortisation | 5,041 | 2,561 | - | - | 6,080 | 4,071 |
| Revaluation decrement | - | 19 | - | - | - | 440 |
| Cost of land sales | - | - | - | - | - | 6,918 |
| Land inventory written off | - | - | - | - | - | 2,609 |
| Other expenses | 3,825 | 315 | - | (259) | 4,380 | 4,192 |
| Total expenses | 175,290 | 99,224 | - | (4,141) | 432,155 | 453,218 |
| Operating result before income tax equivalent | (1,738) | (1,341) | - | - | (2,337) | (16,616) |
| Income tax equivalents | - | - | - | - | - | 4,577 |
| Operating result after income tax equivalent | (1,738) | (1,341) | - | - | (2,337) | (12,039) |
| OTHER COMPREHENSIVE INCOME | | | | | | |
| Increase/(decrease) in asset revaluation surplus | 7,730 | 186 | - | - | 7,730 | 308 |
| TOTAL OTHER COMPREHENSIVE INCOME | 7,730 | 186 | - | - | 7,730 | 308 |
| TOTAL COMPREHENSIVE INCOME | 5,992 | (1,155) | - | - | 5,393 | (11,731) |

³ This relates to Sport and Recreation and Queensland Academy of Sport (QAS), which were transferred from Department of Communities, Housing and Digital Economy (DCHDE) as part of MoG changes effective 1 December 2020.

Refer to Note 2 of the financial statements for a description of major departmental services.

Department of Tourism, Innovation and Sport

Statement of Assets and Liabilities by Major Departmental Services and Commercialised Business Unit as at 30 June 2022

| | Develop the Economy ¹ | | Business and Economic Growth ² | | Advancing Queensland through Innovation | | Tourism Industry Development | |
|--------------------------------------|----------------------------------|----------------|---|----------------|---|----------------|------------------------------|----------------|
| | 2022 \$'000 | 2021 \$'000 | 2022 \$'000 | 2021 \$'000 | 2022 \$'000 | 2021 \$'000 | 2022 \$'000 | 2021 \$'000 |
| Current assets | | | | | | | | |
| Cash and cash equivalents | - | - | - | - | (1,203) | - | 28,812 | 785 |
| Receivables | - | - | - | - | 618 | 12,206 | 9,461 | 6,061 |
| Other assets | - | - | - | - | 100 | 106 | 2,053 | 2,300 |
| Total current assets | - | - | - | - | (485) | 12,313 | 40,326 | 9,146 |
| Non-current assets | | | | | | | | |
| Property, plant and equipment | - | - | - | - | 1,635 | 2,702 | 1,509 | 320 |
| Right-of-use assets | - | - | - | - | - | - | - | - |
| Intangible assets | - | - | - | - | - | - | - | - |
| Other assets | - | - | - | - | - | 2 | - | (7) |
| Total non-current assets | - | - | - | - | 1,635 | 2,704 | 1,509 | 313 |
| Total assets | - | - | - | - | 1,150 | 15,016 | 41,835 | 9,459 |
| Current liabilities | | | | | | | | |
| Payables | - | - | - | - | (395) | - | 37,295 | 7,722 |
| Lease liabilities | - | - | - | - | - | - | - | - |
| Accrued employee benefits | - | - | - | - | 363 | 278 | 289 | 310 |
| Other liabilities | - | - | - | - | 199 | 127 | 1,056 | 92 |
| Total current liabilities | - | - | - | - | 167 | 405 | 38,640 | 8,124 |
| Non-current liabilities | | | | | | | | |
| Lease liabilities | - | - | - | - | - | - | - | - |
| Total non-current liabilities | - | - | - | - | - | - | - | - |
| Total liabilities | - | - | - | - | 167 | 405 | 38,640 | 8,124 |

¹ Function was transferred to QT and DSDILGP as part of MoG changes effective 1 December 2020.

² This relates to EDQ, a CBU of the department that was transferred to DSDILGP as part of the MoG changes effective 1 December 2020.

Refer to Note 2 of the financial statements for a description of major departmental services.

Department of Tourism, Innovation and Sport

Statement of Assets and Liabilities by Major Departmental Services and Commercialised Business Unit as at 30 June 2022

| | Sport and Recreation ³ | | Inter-Service/Unit Eliminations | | Total | |
|--------------------------------------|-----------------------------------|----------------|------------------------------------|-----------------|----------------|----------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Current assets | | | | | | |
| Cash and cash equivalents | 20,013 | 11,786 | - | (6,444) | 47,621 | 6,127 |
| Receivables | 5,250 | 5,176 | - | (11,259) | 15,331 | 12,184 |
| Other assets | 896 | 6,850 | - | - | 3,049 | 9,256 |
| Total current assets | 26,159 | 23,812 | - | (17,703) | 66,001 | 27,567 |
| Non-current assets | | | | | | |
| Property, plant and equipment | 218,000 | 200,913 | - | - | 221,145 | 203,935 |
| Right-of-use assets | 4,431 | 5,249 | - | - | 4,432 | 5,249 |
| Intangible assets | 7 | 15 | - | - | 7 | 15 |
| Other assets | - | 5 | - | - | - | - |
| Total non-current assets | 222,438 | 206,182 | - | - | 225,584 | 209,199 |
| Total assets | 248,597 | 229,994 | - | (17,703) | 291,585 | 236,767 |
| Current liabilities | | | | | | |
| Payables | 20,471 | 10,175 | - | (4,815) | 57,372 | 13,082 |
| Accrued employee benefits | 1,265 | 842 | - | - | 1,916 | 1,430 |
| Lease liabilities | 1,067 | 1,067 | - | - | 1,067 | 1,067 |
| Other liabilities | 1,532 | 1,391 | - | - | 2,788 | 1,610 |
| Total current liabilities | 24,335 | 13,475 | - | (4,815) | 63,143 | 17,189 |
| Non-current liabilities | | | | | | |
| Lease liabilities | 3,365 | 4,172 | - | - | 3,365 | 4,172 |
| Total non-current liabilities | 3,365 | 4,172 | - | - | 3,365 | 4,172 |
| Total liabilities | 27,700 | 17,647 | - | (4,815) | 66,508 | 21,362 |

³ This relates to Sport and Recreation and QAS, which were transferred from DCHDE as part of MoG changes effective 1 December 2020.

Refer to Note 2 of the financial statements for a description of major departmental services.

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1. Basis of financial statement preparation

1.1 General information

The Department of Tourism, Innovation and Sport (the department) is a Queensland Government department established under the *Public Service Act 2008* and controlled by the State of Queensland, which is the ultimate parent.

1.2 Compliance with prescribed requirements

The department has prepared these financial statements in compliance with section 38 of the *Financial and Performance Management Standard 2019*. The financial statements comply with Queensland Treasury's (QT) Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2021.

The department is a not-for-profit entity and these general purpose financial statements are prepared on an accrual basis (except for the statement of cash flows which is prepared on a cash basis) in accordance with Australian Accounting Standards and Interpretations applicable to not-for-profit entities.

No new accounting standards were applied for the first time in these financial statements.

1.3 Presentation

Currency and rounding

Amounts included in the financial statements are in Australian dollars and 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.

Comparatives

Comparative information reflects the audited 2020-21 financial statements except where restated as necessary to be consistent with disclosures in the current reporting period.

Current/non-current classification

Assets and liabilities are classified as either 'current' or 'non-current' in the statement of financial position and associated notes.

Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or the department does not have an unconditional right to defer settlement to beyond 12 months after the reporting date.

All other assets and liabilities are classified as non-current.

1.4 Authorisation of financial statements for issue

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

1.5 Basis of measurement

Historical cost is used as a measurement basis in this financial report except for land, buildings, and infrastructure which are measured at fair value.

1.6 The reporting entity

The financial statements include all income, expenses, assets, liabilities and equity of the department.

The Brisbane 2032 Taskforce leads Brisbane 2032 Olympic and Paralympic Games whole-of-government portfolio planning and integration activities. The Brisbane 2032 Taskforce sits within the Department of the Premier and Cabinet (DPC) and reports to both the Premier and Minister for the Olympics and the Minister for Tourism, Innovation and Sport and Minister Assisting the Premier on Olympics and Paralympics Sport and Engagement. Where the department performs activities on behalf of the Brisbane 2032 Taskforce, these transactions are reported by DPC and are not included in the department's financial statements. These are disclosed in Note 28 Agency transactions and balances.

2. Department objectives

The department's vision is to enrich the lives of Queenslanders by maximising our visitor and innovation economies and supporting healthy and active lifestyles.

The identity and purpose of the major departmental services undertaken by the department during the year are as follows:

| Major Departmental Services | Purpose |
|---|--|
| Tourism Industry Development | To promote long-term growth of the tourism industry by facilitating a strategic whole-of-government approach to planning and investment in the State's tourism infrastructure, assets and products and the coordination and leveraging of key major events to generate jobs. |
| Advancing Queensland through Innovation | To drive economic growth and job creation through innovation in our traditional and emerging strengths, harnessing Queensland's research strengths and entrepreneurship to encourage new industries and use new technology, new skills capital and ideas to support business and industry creation, global connections and growth. |
| Sport and Recreation | To benefit Queenslanders and their communities by promoting healthier, more active lifestyles, through supporting and encouraging participation in sport and recreation. |

| | Note | 2022 \$'000 | 2021 \$'000 |
|---|------|----------------|----------------|
| 3. Appropriation revenue | | | |
| Reconciliation of payments from Consolidated Fund to appropriated revenue recognised in operating result | | | |
| Budgeted appropriation receipts | | 377,073 | 438,853 |
| Lapsed appropriation revenue | | - | (45,501) |
| Treasurer's transfers | | 12,238 | (20,000) |
| Unforeseen expenditure | | 52,853 | - |
| Total appropriation receipts (cash) | | 442,164 | 373,352 |
| Plus: Opening balance of appropriation payable | | 6,033 | - |
| Plus: Transfer of deferred appropriation payable from other departments | | - | 30,622 |
| Less: Opening balance of deferred appropriation revenue receivable | | - | (35,082) |
| Less: Closing balance of deferred appropriation refundable to Consolidated Fund payable | 15 | (39,490) | (6,033) |
| Less: Transfer of deferred appropriation receivable to other departments | | - | 15,861 |
| Appropriation revenue recognised in statement of comprehensive income | | 408,707 | 378,720 |
| Reconciliation of payments from Consolidated Fund to equity adjustment recognised in contributed equity | | | |
| Budgeted equity adjustment appropriation | | 23,497 | 32,187 |
| Treasurer's transfers | | (12,238) | - |
| Lapsed equity adjustment appropriation | | - | (7,006) |
| Total equity adjustment receipts (payments) | | 11,259 | 25,181 |
| Plus: Closing balance of equity adjustment payable | 15 | (6,980) | - |
| Equity adjustment recognised in contributed equity | | 4,279 | 25,181 |

Accounting policy - Appropriation revenue

Appropriations provided under the *Appropriation Act 2021* are recognised as revenue when received. Where the department has an obligation to return unspent (or unapplied) appropriation receipts to Consolidated Fund at year end (a deferred appropriation repayable to Consolidated Fund), a liability is recognised with a corresponding reduction to appropriation revenue, reflecting the net appropriation revenue position with Consolidated Fund for the reporting period. Capital appropriations are recognised as adjustments to equity.

Amounts appropriated to the department for transfer to other entities in accordance with legislative or other requirements are reported as 'administered' items in Note 25.

4. User charges and fees

| | | | |
|---------------------------------------|--|---------------|---------------|
| Revenue from contracts with customers | | | |
| Sale of services | | 1,498 | 4,021 |
| Sale of goods | | 4,459 | 4,174 |
| Statutory fees and charges | | - | 1,684 |
| Other user charges and fees | | | |
| Property rental | | 4,164 | 4,334 |
| Statutory fees and charges | | - | 169 |
| Other fees | | - | 1,563 |
| Total user charges and fees | | 10,122 | 15,946 |

Accounting policy - User charges and fees

Revenue from contracts with customers

Revenue from contracts with customers is recognised when the department transfers control over a good or service to the customer. The following table provides information about the nature and timing of the satisfaction of performance obligations, significant payment terms, and revenue recognition for the department's user charges under AASB 15 *Revenue from Contracts with Customers*.

| Type of goods or service | Nature and timing of satisfaction of performance obligations | Revenue recognition policies |
|---|---|--|
| Provision of programs, activities and catering services | The department collects fees from provision of programs and activities primarily from school groups who attend the various recreation centres for structured outdoor education. The department also recovers costs such as ad-hoc charges from guests at its various centres and catering services provided at these locations. | Revenue is recognised in the accounting period in which the services are provided. The deposit or 15% of the total is lodged up to two years before the adventure camp and recognised as contract liabilities. |

| 5. Grants and other contributions | 2022 \$'000 | 2021 \$'000 |
|---|----------------|----------------|
| Other grants and contributions: | | |
| - Contributions ¹ | 7,137 | 16,421 |
| - Goods and services received below fair value | 137 | 757 |
| Non-current assets received below fair value ² | - | 4,525 |
| Total grants and other contributions | 7,275 | 21,703 |

¹ The decrease in 2021-22 relates mainly to contribution received in 2020-21 from Queensland Reconstruction Authority (QRA) for monsoon recovery and South East Queensland (SEQ) 2032 Olympic and Paralympic Games Feasibility Study.

² In 2020-21, the balance related largely to the development of the PCYC Facility at Fortitude Valley by Silverstone Developments Pty Ltd.

Accounting Policy - Grants and other contributions

Grants, contributions and donations revenue arise from non-exchange transactions where the department does not directly give approximately equal value to the grantor.

Where the grant agreement is enforceable and contains sufficiently specific performance obligations for the department to transfer goods or services to a third-party on the grantor's behalf, the transaction is accounted for under AASB 15 *Revenue from Contracts with Customers*. In this case, revenue is initially deferred (as a contract liability) and recognised as or when the performance obligations are satisfied.

Otherwise, the grant is accounted for under AASB 1058 *Income of Not-for-Profit Entities*, whereby revenue is recognised upon receipt of the grant funding, except for special purpose capital grants received to construct non-financial assets to be controlled by the department. Special purpose capital grants are recognised as unearned revenue when received, and subsequently recognised progressively as revenue as the department satisfies its obligations under the grant through construction of the asset.

Accounting Policy - Services received below fair value

Contributions of services are recognised only if the services would have been purchased if they had not been donated and their fair value can be measured reliably. Where this is the case, an equal amount is recognised as revenue and an expense.

Contributed physical assets are recognised at their fair value.

6. Other revenue

| | | |
|---|--------------|--------------|
| Prior year grant refunds ¹ | 162 | 4,708 |
| Revenue from transfers of government property | - | 8 |
| Sundry revenue ² | 3,113 | 538 |
| Total other revenue | 3,275 | 5,255 |

¹ In 2020-21, this related to prior year grant refunds for the Attracting Tourism Fund Aviation Boost, Advance Queensland Connecting with Asia and COVID-19 Support for international students where unspent grant funds were refunded.

² In 2021-22, this related largely to a claim received by Sport and Recreation from the Queensland Government Insurance Fund (QGIF) for \$2.269 million relating to interruption of business activities.

7. Employee expenses

| | | |
|---|---------------|---------------|
| Employee benefits | | |
| Salaries and wages | 42,710 | 57,818 |
| Employer superannuation contributions | 5,815 | 8,133 |
| Annual leave levy | 4,611 | 6,298 |
| Long service leave levy | 1,104 | 1,459 |
| Sick leave | 613 | 1,204 |
| Other employee benefits | 300 | 399 |
| Goods and services received below fair value ¹ | - | 358 |
| Employee related expenses | 55,153 | 75,671 |
| Payroll tax | - | 295 |
| Workers' compensation premium | 191 | 80 |
| Other employee related expenses | 998 | 1,788 |
| Total employee expenses | 56,342 | 77,833 |

Number of Employees:

| | | |
|-----------------------------|------------|------------|
| Paid employees ² | 453 | 401 |
| | 453 | 401 |

¹ In 2020-21, this related to officers working for the department from other Queensland Government agencies who continue to be paid by their home agency payroll systems under the Whole-of-Government Resource Sharing Model (WOGSRM) arrangements.

² Full Time Equivalent (FTE) data as at 30 June 2022 (based upon payroll fortnight ending 1 July 2022).

7. Employee expenses (continued)

Accounting policy - Employee expenses

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

Worker's compensation insurance is a consequence of employing employees, but is not counted in an employee's total remuneration package. It is not an employee benefit and is recognised separately as an employee related expense.

Salaries, wages 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 Annual Leave Central Scheme (ALCS) and Long Service Leave Scheme (LSL), levies are payable by the department to cover the costs of employees' annual leave and long service leave (including leave loading and on-costs). Hence, no provision for annual leave and long service leave is recognised in the department's financial statements. Instead, the provision for these schemes are reported on a whole-of-government basis pursuant to AASB 1049 *Whole-of-Government and General Government Sector Financial Reporting*.

These 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 schemes quarterly in arrears.

Superannuation

Post-employment benefits for superannuation are provided through defined contributions (accumulation) plans or the Queensland Government's QSuper defined benefit plan as determined by the employee's conditions of employment.

Defined contribution plans - Contributions are made to eligible complying superannuation funds based on the rates specified in the relevant Enterprise Bargaining Agreement or other conditions of employment. Contributions are expensed when they are paid or become payable following completion of the employee's service each pay period.

Defined benefit plan - 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*. The amount of contributions for defined benefit plan obligations is based upon the rates determined on the advice of the State Actuary. Contributions are paid by the department at the specified rate following completion of the employee's service each pay period. The department's obligations are limited to those contributions paid.

| | 2022 | 2021 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| 8. Supplies and services | | |
| Contractors and consultants | 19,113 | 28,469 |
| Lease expense | - | 10,707 |
| Property and building expenses | 13,897 | 7,628 |
| Information technology and computer equipment | 2,524 | 5,880 |
| Athlete training and development | 7,440 | 4,404 |
| Shared service provider fee | 2,638 | 4,676 |
| Travel and hospitality | 1,141 | 817 |
| Transport | 399 | 847 |
| Marketing and public relations | 224 | 908 |
| Administration fees | 2,209 | 262 |
| Other | 6,409 | 3,267 |
| Total supplies and services | 55,993 | 67,865 |

Accounting policy - Distinction between grants and procurement

For a transaction to be classified as supplies and services, the value of goods or services received by the department must be of approximately equal value to the value of the consideration exchanged for those goods or services. Where this is not the substance of the arrangement, the transaction is classified as a grant in Note 9.

Accounting policy - Property and building expenses

Payments for non-specialised commercial office accommodation under the Queensland Government Accommodation Office (QGAO) framework arise from non-lease arrangements from 1 July 2021 to 30 June 2022 with Department of Energy and Public Works (DEPW) who has substantive substitution rights over the assets used within this scheme. Payments are expensed as incurred and categorised within property and building expenses.

| | 2022 \$'000 | 2021 \$'000 |
|--|----------------|----------------|
| 9. Grants and subsidies | | |
| Grants: | | |
| Queensland and local government ¹ | 179,038 | 94,445 |
| Industry attraction ² | 62,899 | 128,455 |
| Universities | 9,532 | 17,261 |
| Commonwealth agencies | - | 2,708 |
| COVID-19 rent relief initiatives | - | 61 |
| Others ³ | 54,929 | 31,751 |
| Subsidies | 2,844 | 8,883 |
| Total grants and subsidies | 309,241 | 283,566 |

¹ The increase in 2021-22 relates mainly to payments made for grant programs such as Tourism and Hospitality Sector Hardship Program and also Major Tourism Experiences Hardship Grant.

² The decrease in 2021-22 relates mainly to payments made in prior year for grant programs such as Queensland Tourism Icons Program, Growing Tourism Infrastructure Fund, various programs within the Advance Queensland portfolio and COVID-19 related programs.

³ The increase in 2021-22 relates mainly to payments made to grant programs towards the redevelopment such as the Local Community Sporting Infrastructure, Queensland Sports and Athletics Centre (QSAC) and Ballymore Precinct.

Accounting policy - Grants and subsidies

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-reciprocated grant payments are expensed when payment is made. Where grant payment is reciprocal in nature, an asset (prepayment) is recognised when 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. Donations and gifts are disclosed in Note 10.

10. Other expenses

| | | |
|---|--------------|--------------|
| Taxes - land, rates and stamp duty ¹ | - | 3,064 |
| Sponsorships | 2,028 | 362 |
| Insurance premiums - QGIF | 214 | 263 |
| Insurance premiums - other | 2 | 94 |
| External audit fee ² | 237 | 164 |
| Losses from disposal of property, plant and equipment | 1,571 | 4 |
| Donations and gifts | 70 | 59 |
| Other | 257 | 183 |
| Total other expenses | 4,380 | 4,192 |

¹ In 2020-21, this related to land and other taxes incurred by EDQ which was transferred to DSDILGP as part of the MoG changes effective 1 December 2020.

² Queensland Audit Office quoted fee for the audit of the department's financial statements in 2021-22 was \$189,000 (2021: \$200,000). There are no non-audit services included in these amounts.

11. Cash and cash equivalents

| | | |
|--|---------------|--------------|
| Cash at bank | 47,619 | 6,123 |
| Imprest accounts | 2 | 4 |
| Total cash and cash equivalents | 47,621 | 6,127 |

Accounting policy - Cash and cash equivalents

For the purpose of the statement of financial position and the statement of cash flows, cash assets include all cash and cheques receipted but not banked at 30 June as well as deposits at call with financial institutions.

| | 2022 \$'000 | 2021 \$'000 |
|-----------------------------------|----------------------|----------------------|
| 12. Receivables | | |
| Current | | |
| Trade debtors | 5,506 | 6,618 |
| Less: Loss allowance | (47) | (14) |
| | <u>5,459</u> | <u>6,604</u> |
| Annual leave reimbursements | 1,089 | 979 |
| GST receivable | 4,583 | 4,440 |
| Long service leave reimbursements | 183 | 161 |
| Other | 4,017 | - |
| Total current receivables | <u><u>15,331</u></u> | <u><u>12,184</u></u> |

Accounting policy - Receivables

Receivables are measured at amortised cost which approximates their fair value at reporting date. Trade debtors are recognised at the amounts due at the time of sale or service delivery being the agreed purchase/contract price. Standard settlement terms require these amounts to be paid within 30 days from the invoice date.

Disclosure - Receivables

The closing balance of receivables arising from contracts with customer at 30 June 2022 is \$1.083 million (2021: \$1.042 million).

Accounting policy - Impairment of receivables

The loss allowance for trade debtors reflects lifetime expected credit losses and incorporates reasonable and supportable forward-looking information, including forecast economic changes expected to impact the department's debtors, along with relevant industry and statistical data where applicable.

The department's receivables include receivables from Queensland Government agencies and Australian Government agencies. No loss allowance is recorded for these receivables on the basis of materiality. The receivables from Queensland Government agencies as at 30 June 2022 is \$0.306 million (2021: \$0.129 million).

Where the department has no reasonable expectation of recovering an amount owed, the amount owed is written-off by directly reducing the receivable against the loss allowance. This occurs when the department determines that an amount owing to the department does become uncollectible (after an appropriate range of debt recovery actions). If the amount written-off exceeds the loss allowance, the excess is recognised as an impairment loss.

All known bad debts (if any) were written-off as at 30 June 2022.

Disclosure - Credit risk exposure of receivables

The maximum exposure to credit risk at balance date for receivable is the gross carrying amount of those assets. No collateral is held as security and there are no other credit enhancements relating to the department's receivables.

The department's credit risk exposure for receivables measured at amortised cost is determined as outlined below:

| Category | Assessment of expected credit losses | Information used |
|---------------|---|--|
| Trade debtors | The department uses a provision matrix to measure the expected credit losses on trade and other debtors. The expected loss rates are based on the payment profiles over a period of 36 months preceding 30 June 2022 and the corresponding historical credit losses experienced within this period. | Review of historical default rates adjusted by reasonable and supportable forward-looking information for expected changes in macroeconomic indicators that affect the future recovery of those receivables. For the department, a change in the CPI rate is determined to be the most relevant forward-looking indicator for receivables. |

Credit risk disclosures

Credit risk management practices

The department considers financial assets that are over 30 days past due to have significantly increased in credit risk, and measures the loss allowance of such assets at lifetime expected credit losses instead of 12-month expected credit losses.

The department typically considers a financial asset to be in default when it becomes 90 days past due. However, a financial asset can be in default before that point if information indicates that the department is unlikely to receive the outstanding amounts in full. The department's assessment of default does not take into account any collateral or other credit enhancements.

13. Other assets

Current

Prepayments ¹

| | | |
|-----------------------------------|---------------------|---------------------|
| | 3,049 | 9,256 |
| Total current other assets | <u><u>3,049</u></u> | <u><u>9,256</u></u> |

¹ In 2020-21, the balance represented prepayments to Stadiums Queensland (SQ) for the QSAC redevelopment.

Accounting policy - Prepayments

Prepayments are expensed as the supplier satisfies the performance obligations under the contract.

14. Property, plant and equipment

14.1 Closing balances and reconciliation of carrying amount

| | Land \$'000 | Buildings \$'000 | Infrastructure \$'000 | Plant and Equipment \$'000 | Capital Work in Progress \$'000 | Total \$'000 |
|---|----------------|---------------------|--------------------------|----------------------------------|---------------------------------------|-----------------|
| 30 June 2022 | | | | | | |
| Gross | 90,766 | 176,903 | 4,198 | 11,025 | 4,259 | 287,150 |
| Less: Accumulated depreciation | - | (55,797) | (2,032) | (8,176) | - | (66,006) |
| Carrying amount at 30 June 2022 | 90,766 | 121,105 | 2,165 | 2,849 | 4,259 | 221,145 |
| <i>Represented by movements in carrying amount:</i> | | | | | | |
| Carrying amount at 1 July 2021 | 86,832 | 94,671 | 2,347 | 3,729 | 16,357 | 203,935 |
| Acquisitions | - | - | - | 596 | 15,012 | 15,608 |
| Disposals | - | (1,199) | (188) | (185) | - | (1,571) |
| Transfers between asset classes | - | 27,068 | - | 41 | (27,109) | - |
| Revaluation increments recognised in equity | 3,512 | 4,172 | 46 | - | - | 7,730 |
| Revaluation increments recognised in operating result | 421 | - | 19 | - | - | 440 |
| Depreciation | - | (3,606) | (58) | (1,332) | - | (4,996) |
| Carrying amount at 30 June 2022 | 90,766 | 121,105 | 2,165 | 2,849 | 4,259 | 221,145 |

| | Land \$'000 | Buildings \$'000 | Infrastructure \$'000 | Plant and Equipment \$'000 | Capital Work in Progress \$'000 | Total \$'000 |
|---|----------------|---------------------|--------------------------|----------------------------------|---------------------------------------|-----------------|
| 30 June 2021 | | | | | | |
| Gross | 86,832 | 145,410 | 4,364 | 10,694 | 16,357 | 263,657 |
| Less: Accumulated depreciation | - | (50,739) | (2,017) | (6,965) | - | (59,721) |
| Carrying amount at 30 June 2021 | 86,832 | 94,671 | 2,347 | 3,729 | 16,357 | 203,935 |
| <i>Represented by movements in carrying amount:</i> | | | | | | |
| Carrying amount at 1 July 2020 | 267,979 | 4,840 | - | 4,833 | 5,827 | 283,479 |
| Acquisitions | 315 | 215 | - | 9 | 20,235 | 20,774 |
| Assets received below fair value | 3 | 4,515 | - | - | - | 4,518 |
| Disposals | (4,240) | - | - | (4) | - | (4,244) |
| Transfers between asset classes | - | 10,033 | 60 | 51 | (10,144) | - |
| Acquisitions through MoG changes | (155,036) | 76,715 | 2,359 | 156 | 439 | (75,367) |
| Assets reclassified as held for sale | (22,000) | - | - | - | - | (22,000) |
| Donations made | - | - | - | 7 | - | 7 |
| Revaluation increments recognised in equity | - | 307 | - | - | - | 307 |
| Revaluation decrements recognised in operating result | (189) | - | (19) | - | - | (208) |
| Depreciation | - | (1,955) | (53) | (1,323) | - | (3,332) |
| Carrying amount at 30 June 2021 | 86,832 | 94,671 | 2,347 | 3,729 | 16,357 | 203,935 |

14.2 Accounting policy - Recognition

Basis of capitalisation and recognition thresholds

Items of property, plant and equipment with a historical cost or other value equal to or exceeding the following thresholds in the year of acquisition are reported as property, plant and equipment in the following classes:

| | | |
|-----------------------|----|--------|
| - Land | \$ | 1 |
| - Buildings | \$ | 10,000 |
| - Infrastructure | \$ | 10,000 |
| - Plant and equipment | \$ | 5,000 |

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

Expenditure on property, plant and equipment is capitalised where it is probable that the expenditure will produce future service potential for the department. Subsequent expenditure is only added to an asset's carrying amount if it increases the service potential or useful life of that asset. Maintenance expenditure that merely restores original service potential (lost through ordinary wear and tear) is expensed.

Accounting policy - Cost of acquisition

Historical cost is used for the initial recording of all property, plant and equipment acquisitions. Historical cost is determined as the value given as considerations and costs incidental to the acquisition (such as architects' fees and engineering design fees), plus all other costs incurred in getting the asset ready for use.

Where assets are received free of charge from another Queensland Government entity (whether as a result of a MoG changes or other involuntary transfer), the acquisition cost is recognised as the carrying amount in the books of the other entity immediately prior to the transfer.

Assets acquired at no cost or for nominal consideration, other than from another Queensland Government entity are recognised at their fair value at date of acquisition.

14.3 Accounting policy - Measurement using historical costs

Plant and equipment, (excluding major plant and equipment) is measured at historical cost in accordance with QT's Non-Current Asset Policies (NCAP) for the Queensland Public Sector. The carrying amounts for such plant and equipment is not materially different from their fair value.

14. Property, plant and equipment (continued)

14.4 Accounting policy - Measurement using fair value

Land, buildings and infrastructure are measured at fair value as required by QT's NCAP 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 subsequent accumulated impairment losses where applicable.

The cost of items acquired during the financial year has been judged by management to materially represent their fair value at the end of the reporting period.

Property, plant and equipment classes measured at fair value are revalued on an annual basis either by appraisals undertaken by an independent professional valuer, or by the use of appropriate and relevant indices. For financial reporting purposes, the revaluation process is managed by the department's Financial Accounting team, who determines the specific revaluation practices and procedures. The outcomes and recommendations are reported to the Chief Finance Officer and the Audit and Risk Management Committee after each annual review.

Use of specific appraisals

Revaluations using independent professional valuers are undertaken at least once every five years. However, if a particular asset class experiences significant and volatile changes in fair value, that class is subject to specific appraisal in the reporting period, where practicable, regardless of the timing of the last specific appraisal. The last appraisal by an independent valuer was in 2019-20.

The fair values reported by the department are based on appropriate valuation techniques that maximise the use of available and relevant observable inputs and minimise the use of unobservable inputs. Materiality is considered in determining whether the difference between the carrying amount and the fair value of an asset is material (in which case a revaluation is warranted).

Use of indices

Where assets have not been specifically appraised in the reporting period, their previous valuations are materially kept up-to-date via the application of relevant indices. The department ensures that the application of such indices results in a valid estimation of the assets' fair values at reporting date. The State Valuation Services (SVS) supplies the indices used for the various types of assets. Such indices are either publicly available, or are derived from market information available to SVS. SVS provides assurance of their robustness, validity and appropriateness for application to the relevant assets.

Indices used are tested for reasonableness by applying the indices to a sample of assets, comparing the results to similar assets that have been valued by an independent professional valuer, and analysing the trend change in values over time. Through this process, which is undertaken annually, management assesses and confirms the relevance and suitability of indices provided by SVS based on the departments' own particular circumstances.

Accounting for changes in Fair Value

Any revaluation increment arising on the revaluation of an asset is credited to the 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 revaluations surplus relating to that asset class.

For assets revalued using a cost valuation approach (e.g. current replacement cost) - accumulated depreciation is adjusted to equal the difference between the gross amount and carrying amount, after taking into account accumulated impairment losses. This is generally referred to as the 'gross method'.

Fair value measurements

Fair value

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 are not limited to, published sales data for land and general office buildings.

Unobservable inputs are data, assumptions and judgements 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's assets/liabilities, internal records of recent constructions costs (and/or estimates of such costs), assets' characteristics/functionality, 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 benefit by the asset in its highest and best use.

Fair value measurement hierarchy

All property, plant and equipment is categorised 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; |
| Level 2 | represents 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. |

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

There was no transfers of assets between fair value hierarchy levels during the period.

14. Property, plant and equipment (continued)

14.4 Accounting policy - Measurement using fair value (continued)

Land

The department engaged SVS to undertake valuations on all land assets effective 30 June 2022. SVS use market based indices that are developed using market data and publicly available information on market transactions.

SVS provided an individual factor change per property derived from the review of market transactions (observable market data). These market movements are determined having regard to the review of land values undertaken for each local government area issued by the Valuer-General, Department of Resources.

Fair values were updated on all land assets using SVS recommended indices ranging from 1.00 to 1.826. SVS undertakes investigation and research into each factor provided for the land asset indexation with each subject property benchmarked to a similar type of property. The accuracy in the land valuation index is reflected in the index being provided per property rather than a general index applicable for a region or locality.

Buildings and Infrastructure

The majority of the Sport and Recreation buildings and infrastructure include Queensland Recreation Centres and Townsville Sport Reserve. As there is insufficient sales activity for these types of properties to derive market based valuations, the buildings are valued using the current replacement cost. Management judged that the highest and best use of these properties is their current use.

Fair values were updated using indexation on the building and infrastructure assets using SVS recommended indices ranging from 1.03 to 1.05. General non-residential construction was indexed using the Qld Treasury Office Economic and Statistical Research (OESR) Implicit Price Deflator as recommended and is the most appropriate index to use for these particular assets.

Categorisation of assets measured at fair value

| | Level 2 | | Level 3 | | Total | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2022 \$'000 | 2021 \$'000 | 2022 \$'000 | 2021 \$'000 | 2022 \$'000 | 2021 \$'000 |
| Recurring fair value measurements | | | | | | |
| Land | 19,751 | 18,526 | 71,015 | 68,306 | 90,766 | 86,832 |
| Buildings | - | - | 121,105 | 94,670 | 121,105 | 94,670 |
| Infrastructure | - | - | 2,165 | 2,347 | 2,165 | 2,347 |
| Total recurring | 19,751 | 18,526 | 194,285 | 165,323 | 214,036 | 183,849 |

Level 3 Fair value measurement reconciliations

| | Land \$'000 | Buildings \$'000 | Infrastructure \$'000 | Total \$'000 |
|---|----------------|---------------------|--------------------------|-----------------|
| 30 June 2022 | | | | |
| Carrying amount at 1 July 2021 | 68,306 | 94,670 | 2,347 | 165,323 |
| Disposals | - | (1,199) | (188) | (1,386) |
| Transfers between asset classes | - | 27,068 | - | 27,068 |
| Revaluation increments recognised in operating result | - | - | 19 | 19 |
| Revaluation increments recognised in equity | 2,709 | 4,172 | 45 | 6,925 |
| Depreciation | - | (3,606) | (58) | (3,664) |
| Carrying amount as 30 June 2022 | 71,015 | 121,105 | 2,165 | 194,285 |

| | Land \$'000 | Buildings \$'000 | Infrastructure \$'000 | Total \$'000 |
|--|----------------|---------------------|--------------------------|-----------------|
| 30 June 2021 | | | | |
| Carrying amount at 1 July 2020 | - | 2,912 | - | 2,912 |
| Transfers in from other Queensland Government entities | 68,111 | 83,381 | 2,359 | 153,851 |
| Transfers between asset classes | - | 9,999 | 60 | 10,059 |
| Revaluation increments/(decrements) recognised in operating result | 195 | - | (19) | 176 |
| Revaluation increments recognised in equity | - | 186 | - | 186 |
| Depreciation | - | (1,807) | (53) | (1,860) |
| Carrying amount as 30 June 2021 | 68,306 | 94,670 | 2,347 | 165,323 |

14. Property, plant and equipment (continued)

14.5 Accounting policy - Depreciation expense

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 any estimated residual value, progressively over its estimated useful life to the department.

Land is not depreciated as it has an unlimited useful life.

Straight-line depreciation is used as that is consistent with the even consumption of service potential of these assets over their useful life to the department.

Any expenditure that increase 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.

Assets under construction (work in progress) are not depreciated until construction is complete and the asset is put to use or is ready for its intended use, whichever is earlier. These assets are then reclassified to the relevant class within property, plant and equipment.

For the department's depreciable assets, the estimated amount to be received on disposal at the end of their useful life (residual value) is determined to be zero.

Depreciation rates

Depreciation rates are assessed annually and the following rates apply for each class of depreciable asset:

| Asset class | Category | Useful lives |
|---------------------|---------------------------|---------------|
| Buildings | - | 10 - 87 years |
| Infrastructure | - | 30 - 50 years |
| Plant and equipment | Computer equipment | 4 - 11 years |
| | Office equipment | 3 - 15 years |
| | Leasehold improvements | 7 - 17 years |
| | Other plant and equipment | 5 - 20 years |

| 15. Payables | Note | 2022 \$'000 | 2021 \$'000 |
|---|------|----------------|----------------|
| Current | | | |
| Trade creditors | | 10,064 | 5,444 |
| Grants payable | | 765 | 1,312 |
| Equity withdrawal payable | | 6,980 | - |
| Fringe benefits tax | | 14 | 9 |
| Deferred appropriation payable to Consolidated Fund | 3 | 39,490 | 6,033 |
| Other | | 58 | 283 |
| Total payables | | 57,372 | 13,082 |

Accounting policy - Payables

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the nominal amount (i.e. agreed purchase/contract price), gross of applicable trade and other discounts. Amounts owing are unsecured.

16. Accrued employee benefits

Current

| | | |
|--|--------------|--------------|
| Annual leave levy payable | 1,463 | 1,169 |
| Salaries and wages outstanding | 103 | - |
| Long service leave levy payable | 337 | 262 |
| Superannuation payable | 13 | - |
| Total current accrued employee benefits | 1,916 | 1,430 |

Accounting Policy - Accrued employee benefits

No provision for annual leave or long service leave is 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*.

17. Other liabilities

Current

| | | |
|--|--------------|--------------|
| Contract liabilities | 1,533 | 1,391 |
| Other unearned revenue | 1,255 | 219 |
| Total current other liabilities | 2,788 | 1,610 |

Accounting policy - Unearned revenue

Unearned revenue is recognised as a liability when the department has received revenue in advance of the delivery of the supply of goods and/or services. The amount recognised at the reporting date is the unspent balance of the funds received for which a contract exists.

Disclosure - Contract liabilities

Contract liabilities arises from contracts with customers, while unearned other unearned revenue arises from transactions that are not contracts with customers.

18. Right-of-use assets and lease liabilities

18.1 Leases as lessee

| Right-of-use assets | Land | | Buildings | | Total | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2022 \$'000 | 2021 \$'000 | 2022 \$'000 | 2021 \$'000 | 2022 \$'000 | 2021 \$'000 |
| Opening balance at 1 July | - | 1,685 | 5,249 | - | 5,249 | 1,685 |
| Transfer in/(out) due to MoG changes | | (1,685) | - | 5,851 | - | 4,167 |
| Recalculation of lease liability due to CPI adjustment | - | - | 259 | - | 259 | - |
| Amortisation | - | - | (1,077) | (602) | (1,077) | (602) |
| Closing balance at 30 June | - | - | 4,432 | 5,249 | 4,432 | 5,249 |

| Lease liabilities | Note | 2022 \$'000 | 2021 \$'000 |
|--------------------------------|------|----------------|----------------|
| Current | | | |
| Lease liabilities | | 1,067 | 1,067 |
| Non-current | | | |
| Lease liabilities | | 3,365 | 4,172 |
| Total lease liabilities | | 4,432 | 5,239 |

Accounting policy - Leases as lessee

Right-of-use assets

Right-of-use assets are initially recognised at cost, consisting of the initial amount of the associated lease liability

- less any lease incentives received
- plus initial direct costs incurred, and
- plus the initial estimate of restoration costs.

Right-of-use assets are subsequently depreciated over the lease term and subject to impairment testing on an annual basis.

The department measures right-of-use assets from concessionary leases at cost on initial recognition and measures all right-of-use assets at cost subsequent to initial recognition.

The department has elected not to recognise right-of-use assets and lease liabilities arising from short-term leases and leases of low value assets. The lease payments are recognised as expenses on a straight-line basis over the lease term. An asset is considered low value where it is expected to cost less than \$10,000 when new.

Lease liabilities

Lease liabilities are initially recognised at the present value of lease payments over the lease term that are not yet paid. The lease term includes any extension or renewal options that the department is reasonably certain to exercise.

When measuring the lease liability, the department uses its incremental borrowing rate as the discount rate where the interest rate implicit in the lease cannot be readily determined. To determine the incremental borrowing rate, the department uses loan rates provided by Queensland Treasury Corporation that correspond to the commencement date and term of the lease.

19. Financial risk disclosures

19.1 Financial instrument categories

Financial assets and financial liabilities are recognised in the statement of financial position when the department becomes party to the contractual provisions of the financial instrument. The department has the following categories of financial assets and financial liabilities:

Financial assets

| | | | |
|-------------------------------|----|---------------|---------------|
| Cash and cash equivalents | 11 | 47,621 | 6,127 |
| Receivables | 12 | 15,331 | 12,184 |
| Total financial assets | | 62,952 | 18,311 |

Financial liabilities

| | | | |
|------------------------------------|----|---------------|---------------|
| Payables | 15 | 57,372 | 13,082 |
| Lease liabilities | 18 | 4,432 | 5,239 |
| Total financial liabilities | | 61,804 | 18,321 |

No financial assets and financial liabilities have been offset and presented net in the statement of financial position.

19. Financial risk disclosures (continued)

19.2 Financial risk management

(a) Risk exposure

Financial risk management is implemented pursuant to Queensland 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 risk is managed by the Finance Division under policies approved by the department. The department's activities expose it to a variety of financial risks as set out in the following table:

| Risk exposure | Definition | Exposure |
|----------------|--|--|
| Credit risk | The risk that the department may incur financial loss as a result of another party to a financial instrument failing to discharge their obligations. | The department is exposed to credit risk in respect of its receivables in Note 12. |
| Liquidity risk | The risk that 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 in Note 15. |
| Market risk | The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. | The department does not trade in foreign currency and is not materially exposed to commodity price changes or other market prices. The department is exposed to interest rate risk through its leases in Note 18. |

(b) Risk measurement and management strategies

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

| Risk exposure | Measurement method | Risk management strategies |
|----------------|------------------------------------|--|
| Credit risk | Ageing analysis | The department manages credit risk through the use of a credit management strategy on its receivables. 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. |
| Liquidity risk | Sensitivity analysis | The department manages liquidity risk through the use of an Under Treasurer approved overdraft limit on the department's controlled bank account. This overdraft limit reduces the exposure to liquidity risk by ensuring the department has sufficient funds available to meet employee and supplier obligations as they fall due. |
| Market risk | Interest rate sensitivity analysis | The department does not undertake any hedging in relation to interest rate risk and manages its risk as per the department's Financial Management Practice Manual. |

19.3 Liquidity risk - Contractual maturity of financial liabilities

The following tables set 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.

Financial liabilities

| 2022 | 2022 payable in | | | Total \$'000 |
|-------------------|--------------------|---------------------|---------------------|-----------------|
| | < 1 year \$'000 | 1–5 years \$'000 | > 5 years \$'000 | |
| Payables | 57,372 | - | - | 57,372 |
| Lease liabilities | 1,137 | 3,411 | - | 4,548 |
| Total | 58,509 | 3,411 | - | 61,920 |

| 2021 | 2021 payable in | | | Total \$'000 |
|-------------------|--------------------|---------------------|---------------------|-----------------|
| | < 1 year \$'000 | 1–5 years \$'000 | > 5 years \$'000 | |
| Payables | 13,082 | - | - | 13,082 |
| Lease liabilities | 1,084 | 4,335 | - | 5,419 |
| Total | 14,166 | 4,335 | - | 18,501 |

20. Contingencies

Litigation in progress

At 30 June 2022, there is no claim (2021: one claim) filed in the courts naming the State of Queensland through the department as defendant.

Guarantees and undertakings

The department holds bank guarantees for financial support provided on projects across the department as at 30 June 2022 of \$5.678 million (2021: \$5.678 million).

21. Commitments

Capital expenditure commitments

Commitments for capital expenditure at reporting date (inclusive of non-recoverable GST input tax credits) are payable:

Capital works in progress

| | | |
|--|-------|--------|
| - Not later than 1 year | 5,115 | 21,808 |
| - Later than 1 year and not later than 5 years | - | 6,064 |

| | | |
|--|---------------------|----------------------|
| Total capital expenditure commitments | <u>5,115</u> | <u>27,871</u> |
|--|---------------------|----------------------|

Grants and contributions expenditure commitments

Grants and contributions commitments at reporting date (inclusive of non-recoverable GST input tax credits) are payable:

| | | |
|--|--------|--------|
| - Not later than 1 year | 93,440 | 57,809 |
| - Later than 1 year and not later than 5 years | 32,020 | 65,244 |

| | | |
|---|-----------------------|-----------------------|
| Total grants and contributions expenditure commitments | <u>125,460</u> | <u>123,053</u> |
|---|-----------------------|-----------------------|

Other expenditure commitments

Other expenditure commitments at reporting date (inclusive of non-recoverable GST input tax credits) are payable:

| | | |
|--|--------|--------|
| - Not later than 1 year | 21,271 | 25,155 |
| - Later than 1 year and not later than 5 years | 7,372 | 1,489 |

| | | |
|--|----------------------|----------------------|
| Total other expenditure commitments | <u>28,643</u> | <u>26,644</u> |
|--|----------------------|----------------------|

22. Events occurring after balance date

In April 2022, the department received acknowledgement from Department of Education (DoE) regarding the transfer of the Runaway Bay Sports and Leadership Excellence Centre, trading as Gold Coast Performance Centre (GCPC), from DoE to DTIS. This is expected to be completed by 30 June 2023.

23. Future impact of accounting standards not yet effective

At the date of authorisation of the financial report, the expected impacts of new or amended Australian Accounting Standards issued but with future effective dates are either not applicable or have no material impact on the department.

24. Budgetary reporting disclosures

This section contains explanations of major variances between the department's actual 2021-22 financial results and the original budget presented to Parliament.

Subject to the line item's materiality explanations have been provided for budget variances larger than 10% within the Statement of Comprehensive Income, Statement of Financial Position and Statement of Cash Flows, with the exception of Appropriation Revenue in the Statement of Comprehensive Income where the budget variance is larger than 5%.

Explanations of major variances - Statement of Comprehensive Income

Appropriation revenue The actual figure is \$31.634 million higher than the budgeted figure due largely to additional funding to deliver the governments Tourism and Hospitality Sector Hardship Support Program to support Queenslanders impacted by the pandemic. This is partly offset by adjustments for the timing of expenditure for programs impacted by the pandemic or delayed milestone delivery and includes Events Boost, FIFA Women's World Cup 2023, Work in Paradise Program, COVID-19 Marine Tourism Rebate Scheme, Wangetti Trail, Tourism Activation Fund, Attracting Tourism Fund, Advance Queensland, Local Community Sporting Infrastructure, Active Game Day and Schools, Community Recovery, Active Community Infrastructure, Sunshine Coast Stadium Bokarina Redevelopment, Ballymore Precinct Redevelopment, Surf Lifesaving Infrastructure, QAS for the 2032 High Performance Strategy and various other smaller programs.

Grants and contributions The grants and other contributions increase of \$1.698 million includes additional funding received under the Minjerribah (North Stradbroke Island) Futures program and QRA disaster recovery programs for recent weather events.

Other revenue This variance of \$2.912 million substantially relates to funding received from the QGIF for a COVID-19 business interruption claim due to Chief Health Officer mandated closures.

Employee expenses Employee expenses were lower than the budgeted figure by \$13.397 million predominately due to positions filled by contractors/agency resources throughout the year as well as delays with the ongoing recruitment within the QAS for the 2032 High Performance Strategy.

24. Budgetary reporting disclosures (continued)

Explanations of major variances - Statement of Comprehensive Income (continued)

| | |
|------------------------------|--|
| Supplies and services | The overall increase in supplies and services of \$9.787 million includes additional contractor and agency resources funded from underspends in employee expenses for ongoing recruitment processes and costs associated with hosting major sporting events during the pandemic. |
| Grants and subsidies | The actual grants and subsidies are \$39.061 million higher than budgeted predominantly due to additional funding to deliver the governments Tourism and Hospitality Sector Hardship Support Program to support Queenslanders impacted by the pandemic. This is partly offset by adjustments for the timing of expenditure for programs impacted by the pandemic or delayed milestone delivery and includes Events Boost, FIFA Women's World Cup 2023, COVID-19 Marine Tourism Rebate Scheme, Wangetti Trail, Tourism Activation Fund, Attracting Tourism Fund, Advance Queensland, Local Community Sporting Infrastructure, Active Game Day and Schools, Community Recovery, Active Community Infrastructure, Sunshine Coast Stadium Bokarina Redevelopment, Ballymore Precinct Redevelopment, Surf Lifesaving Infrastructure and QAS for the 2032 High Performance Strategy. |

Explanations of major variances - Statement of Financial Position

| | |
|----------------------------------|--|
| Cash and cash equivalents | The variance of \$44.424 million relates largely to an end of year payable to QT for appropriation funding not expended in the financial year. |
| Receivables | Receivables are \$10.231 million higher than budgeted due to funds to be returned by the Queensland Rural and Industry Development Authority (QRIDA) related to the Tourism and Hospitality Sector Hardship Support Program, the timing of funds to be received from the QRA for disaster recovery activities and timing of GST receivables at year end. |
| Right-of-use assets | The \$9.611 million decrease for right-of-use assets relates solely to a budget correction for the QSAC redevelopment, which upon finalisation has been partially allocated to property, plant and equipment. |
| Payables | Payables are \$50.296 million higher than budgeted largely due to an end of year payable to QT for appropriation funding not expended in the financial year, an equity withdrawal payable to QT as well as the timing of grants payable to proponents for completed program milestone deliverables. |

Explanations of major variances - Statement of Cash Flows

| | |
|---|--|
| Appropriation receipts | The actual appropriation receipts are higher than the budgeted figure by \$65.091 million largely due to additional funding to deliver the governments Tourism and Hospitality Sector Hardship Support Program to support Queenslanders impacted by the pandemic and an end of year payable to QT for appropriation funding not expended in the financial year. This is partly offset by adjustments for the timing of expenditure for programs impacted by the pandemic or delayed milestone delivery and includes Events Boost, FIFA Women's World Cup 2023, Work in Paradise Program, COVID-19 Marine Tourism Rebate Scheme, Wangetti Trail, Tourism Activation Fund, Attracting Tourism Fund, Advance Queensland, Local Community Sporting Infrastructure, Active Game Day and Schools, Community Recovery, Active Community Infrastructure, Sunshine Coast Stadium Bokarina Redevelopment, Ballymore Precinct Redevelopment, Surf Lifesaving Infrastructure, QAS for the 2032 High Performance Strategy and various other smaller programs. |
| User charges and fees | User charges and fees cash inflows were \$2.013 million lower than budget predominantly due to funding for the Tourism and Hospitality Sector Hardship Support Program to be returned by QRIDA, partly offset by rent revenue received from tenants working out of The Precinct. |
| Grants and contributions | The increase in cash inflows of \$3.524 million includes additional funding received under the Minjerribah (North Stradbroke Island) Futures program and QRA disaster recovery programs for recent weather events. |
| Other inflows | The actual cash inflows were \$2.912 million higher than budget largely due to funding received from the QGIF for a COVID-19 business interruption claim due to Chief Health Officer mandated closures. |
| Employee expenses | Cash outflows for employee expenses were \$13.465 million lower than the budgeted figure predominately due to positions filled by contractors/agency resources throughout the year as well as delays with the ongoing recruitment within the QAS for the 2032 High Performance Strategy. |
| Grants and contributions | The actual grants and subsidies payments are \$37.946 million more than budget largely due to additional funding to deliver the governments Tourism and Hospitality Sector Hardship Support Program to support Queenslanders impacted by the pandemic. This is partly offset by adjustments for the timing of expenditure for programs impacted by the pandemic or delayed milestone delivery and includes Events Boost, FIFA Women's World Cup 2023, Work in Paradise Program, COVID-19 Marine Tourism Rebate Scheme, Wangetti Trail, Tourism Activation Fund, Attracting Tourism Fund, Advance Queensland, Local Community Sporting Infrastructure, Active Game Day and Schools, Community Recovery, Active Community Infrastructure, Sunshine Coast Stadium Bokarina Redevelopment, Ballymore Precinct Redevelopment, Surf Lifesaving Infrastructure and QAS for the 2032 High Performance Strategy. |
| Other outflows | The increase in cash outflows of \$3.456 million includes additional event sponsorships with sporting organisations and tourism awards. Also includes the write-off of existing assets at the Gold Coast, Sunshine Coast and Townsville recreation centres that have been demolished and replaced under the Activate! Queensland program with new buildings. |
| Payments for property, plant and equipment | The actual figure is \$11.745 million less than budget figure due to the deferral of capital acquisitions for the Queensland Active Precinct and Wangetti Trail to future years. |
| Equity injections | Reduced equity injections of \$12.186 million are predominately due to the deferral of capital funding for the Queensland Active Precinct and Wangetti Trail to future years. |

25. Administered Items

The department administers, but does not control, certain activities on behalf of the government. In doing so, it has responsibility for administering those activities (and related transactions and balances) efficiently and effectively, but does not have the discretion to deploy those resources for achievement of the department's own objectives.

These transactions and balances are not significant in comparison to the department's overall financial performance and financial position.

Accounting policies applicable to administered items are consistent with the equivalent policies for controlled items, unless stated otherwise.

25.1 Schedule of administered income and expense

| | 2022 Actual \$'000 | 2022 Original budget \$'000 | 2022 Budget variance* \$'000 | 2021 Actual \$'000 |
|---|--------------------------|--------------------------------------|---------------------------------------|--------------------------|
| Administered income | | | | |
| Appropriation revenue | 162,924 | 126,559 | 36,365 | 141,773 |
| Total administered income | 162,924 | 126,559 | 36,365 | 141,773 |
| Administered expenses | | | | |
| Grants and subsidies - Tourism and Events Queensland (TEQ) | 101,028 | 95,274 | 5,754 | 104,755 |
| Grants and subsidies - Cross River Rail Development Authority | - | - | - | 15,189 |
| Grants and subsidies - SQ | 61,896 | 31,285 | 30,611 | 21,829 |
| Total administered expenses | 162,924 | 126,559 | 36,365 | 141,773 |
| Operating surplus/(deficit) | - | - | - | - |

25.2 Schedule of administered assets and liabilities

| | | | | |
|-----------------------------------|--------------|----------|--------------|--------------|
| Administered assets | | | | |
| Current assets | | | | |
| Cash at bank | - | (1) | 1 | 5,850 |
| Appropriation revenue receivables | 1,274 | 1 | 1,273 | - |
| Receivable | - | - | - | 1,143 |
| Total current assets | 1,274 | - | 1,274 | 6,993 |
| Administered liabilities | | | | |
| Current liabilities | | | | |
| Appropriation revenue payable | - | - | - | 6,993 |
| Payables | 1,274 | - | 1,274 | - |
| Total current liabilities | 1,274 | - | 1,274 | 6,993 |
| Net administered assets | - | - | - | - |

* An explanation of major variances is included in Note 25.4.

25.3 Reconciliation of payments from Consolidated Fund to administered income

| | | |
|--|----------------|----------------|
| Budgeted appropriation | 126,559 | 99,414 |
| Transfers from other headings | - | 20,000 |
| Unforeseen expenditure | 28,098 | - |
| Total administered receipts | 154,657 | 119,414 |
| Less: Opening balance of administered revenue receivable | - | (7,051) |
| Plus: Closing balance of administered revenue receivable | 1,274 | - |
| Plus: Opening balance of administered revenue payable | 6,993 | - |
| Plus: Transfers from other departments (MoG transfers) | - | 36,403 |
| Less: Closing balance of administered revenue payable | - | (6,993) |
| Administered revenue recognised (as above) | 162,924 | 141,773 |

25.4 Explanations of major variances in the financial statements

| | |
|--|--|
| Appropriation revenue | The increase of \$36.365 million principally relates to additional funding for SQ due to the impacts of COVID-19. This is partially offset by the deferral of fund for TEQ to 2022-23. |
| Grants and subsidies - TEQ | The increase of \$5.754 million principally relates to the deferral of funds from 2020-21 for TEQ to align funding with when it was expended. |
| Grants and subsidies - SQ | The increase of \$30.611 million relates to additional funding provided in response of the impacts on revenue |
| Appropriation revenue receivables | The increase of \$1.273 million relates to additional funding for TEQ to cover expenditure incurred in 2021-22. |
| Payables | The balance of \$1.274 million relates to a clawback of funding for TEQ into 2021-22 for campaign delivery and milestone payments which occurred earlier than anticipated. |

26. Key management personnel (KMP) disclosures

Details of key management personnel

The department's responsible Minister is identified as part of the department's KMP, consistent with additional guidance included in the revised version of AASB 124 *Related Party Disclosures*. That Minister is the Minister for Tourism, Innovation and Sport and Minister Assisting the Premier on Olympics and Paralympics Sport and Engagement.

The following details for non-Ministerial KMP reflect those departmental positions that had authority and responsibility for planning, directing and controlling the activities of the department during 2021-22 and 2020-21. Further information about these positions can be found in the body of the Annual Report under the section relating to Executive Management.

| Position | Position responsibility |
|--|--|
| Director-General | The Director-General is responsible for directing the overall efficient, effective and economical administration of the department and is financially responsible for the performance of the department. |
| Deputy Director-General, Tourism Infrastructure & Investment ¹ | The Deputy Director-General, Tourism Infrastructure & Investment, is responsible for leading the tourism industry development effort in the Department which is focussed on ensuring Queensland has the infrastructure, connectivity and strategic positioning it needs to sustain and transform our tourism industry. |
| Deputy Director-General, Tourism Recovery, Olympic Engagement & Legacy ² | The Deputy Director-General, Tourism Recovery, Olympic Engagement & Legacy, is the champion for Queensland's visitor economy, bringing the Tourism Industry Reference Panel's Action Plan for Tourism Recovery to life and working in lockstep with Tourism and Events Queensland as well as industry. |
| Deputy Director-General, Strategy and Engagement ³ | The Deputy Director-General, Strategy and Engagement provides strategic leadership for the Division, and is responsible for partnerships, stakeholder engagement, integration of strategy and policy initiatives across the Department, issues and risk management, and proactive media, communications and marketing on local, state, national and international levels. |
| Deputy Director-General, Innovation | The Deputy Director-General, Innovation is responsible for the efficient, effective and economic administration of the innovation responsibilities for the department. |
| Deputy Director-General, Corporate Services | The Deputy Director-General, Corporate Services, is responsible for enabling a high-performing department by providing systems, advice and governance to enable delivery and manage risk, opportunities, people and resources. |
| Deputy Director-General, Sport and Recreation | The Deputy Director-General, Sport and Recreation, is responsible for strategic leadership of the division implementing strategies and programs to encourage active lifestyles and initiatives to build the capacity of sport and recreation industry. |
| Chief Executive Officer, Queensland Academy of Sport | The Chief Executive Officer, Queensland Academy of Sport, is responsible for the development and delivery of High Performance that delivers expert high performance to support Queensland and Australia's most talented emerging and elite athletes and coaches to win on the world stage. |
| Deputy Director-General, Office of Director-General, Economic Policy and Communications ⁴ (6 April 2020 to 30 November 2020) | The Deputy Director-General, Office of Director-General, Economic Policy and Communications, is responsible for informing economic and industry policy and strategy development; leading the department's communication, digital and media functions; advising and assisting the department with activities and processes relating to Parliament, Cabinet and the Executive Council. |
| Coordinator-General ⁵ | The Coordinator-General is responsible for planning, delivering and coordinating large-scale infrastructure projects which are of economic significance to the state and for ensuring environmental impacts are properly managed. |
| Assistant Coordinator-General, State Development Areas ⁵ | The Assistant Coordinator-General, State Development Areas, is responsible for the planning, establishment and ongoing management of State Development Areas throughout Queensland in accordance with the <i>State Development and Public Works Act 1971</i> . |
| Assistant Coordinator-General, Land Acquisition and Project Delivery ⁶ | The Assistant Coordinator-General, Land Acquisition and Project Delivery, is responsible for the delivery of all land acquisition undertaken by the Coordinator-General, and administering statutory programs under the <i>State Development and Public Works Act 1971</i> . |
| Assistant Coordinator-General, Project Evaluation and Facilitation ⁵ | The Assistant Coordinator-General, Project Evaluation and Facilitation, is responsible for evaluation and coordination of major development projects and infrastructure through the administration of the <i>State Development and Public Works Act 1971</i> . |
| Acting Assistant Coordinator-General, Coordinated Project Delivery ^{5,7} | The acting Assistant Coordinator-General, Coordinated Project Delivery, is responsible for managing whole-of-government coordination and evaluation of environmental and social impact assessments for declared 'coordinated projects' under the <i>State Development and Public Works Act 1971</i> , and assist in the delivery of major, complex projects across Queensland. |

26. Key management personnel (KMP) disclosures (continued)

Details of key management personnel (continued)

| Position | Position responsibility |
|---|--|
| Acting Deputy Director-General, Investment Facilitation and Partnerships ⁸ | The acting Deputy Director-General, Investment Facilitation and Partnerships, is responsible for keeping a strong commercial focus to increase private sector investment in Queensland through the attraction and facilitation of private sector projects; and ensuring a coordinated approach to stakeholder management strategy across the department. |
| Acting General Manager, Economic Development Queensland ⁴ | The acting General Manager, Economic Development Queensland, is responsible for identifying, planning, facilitating and delivering property development and infrastructure projects across Queensland. |
| Deputy Director-General, State Development ⁵ | The Deputy Director-General, State Development, is responsible for implementing the regional and industry elements of the economic strategy, coordinating state and local government responses to adverse events and leading the department's network of regionally-based offices. |

¹ This position was previously known as Deputy Director-General, Tourism and Major Events.

² This position was created effective 13 December 2021.

³ This position has been vacant without an occupant since the departure of the officer. Currently, there is an approval in place for six months, to use this position for a different role/purpose.

⁴ This position was abolished effective 1 December 2020 as part of the MoG changes.

⁵ These positions were transferred to DSDGILP effective 1 December 2020 as part of the MoG changes.

⁶ This position was redesignated to Executive Director, Project Development and Facilitation from 1 October 2020 as part of a departmental restructure.

⁷ This position was redesignated to Assistant Coordinator-General, Project Evaluation and Facilitation from 1 October 2020 as part of a departmental restructure.

⁸ This position was transferred to QT effective 1 December 2020 as part of the MoG changes.

KMP remuneration policies

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. The department does not bear any cost of remuneration of Ministers. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Service Branch within DPC. As all Ministers are reported as KMP of the Queensland Government, aggregate remuneration expenses for all Ministers is disclosed in the Queensland General Government and Whole-of-Government Consolidated Financial Statements, which are published as part of QT's Report on State Finances.

Remuneration policy for the department's other KMP is set by the Queensland Public Service Commission as provided for under the *Public Service Act 2008*. Individual remuneration and other terms of employment (including motor vehicle entitlements and performance payments if applicable) are specified in employment contracts.

Remuneration expenses for KMP comprise the following components:

Short-term employee expenses, including:

- salaries, allowances and leave entitlements earned and expensed for the entire year, or for that part of the year during which the employee occupied a KMP position;
- performance payments recognised as an expense during the year; and
- non-monetary benefits - consisting of provision of vehicle together with fringe benefits tax applicable to the benefit.

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 include payments in lieu of notice on termination and other lump sum separation entitlements (excluding annual and long service leave entitlements) payable on termination of employment or acceptance of an offer of termination of employment.

26. Key management personnel (KMP) disclosures (continued)

KMP remuneration policies (continued)

Remuneration expenses

The following disclosures focus on the expenses incurred by the department attributable to non-Ministerial KMP during the respective reporting periods. The amounts disclosed are determined on the same basis as expenses recognised in the statement of comprehensive income.

2021-22

| Position | Short-term employee expenses \$'000 | Long-term employee expenses \$'000 | Post-employment expenses \$'000 | Termination benefits \$'000 | Total expenses \$'000 |
|--|--|---------------------------------------|------------------------------------|--------------------------------|--------------------------|
| Director-General | 525 | 13 | 63 | - | 601 |
| Deputy Director-General Strategy and Engagement (16 August to 31 December 2021) | 82 | 2 | 10 | - | 94 |
| Deputy Director-General, Corporate Services ¹ (01 July 2021 to 06 July 2021) | 12 | - | 1 | 91 | 104 |
| Acting Deputy Director-General Corporate Services ² (03 July 2021 to 30 June 2022) | 225 | 5 | 23 | - | 253 |
| Deputy Director-General, Sport and Recreation ² | 3 | - | 1 | - | 4 |
| Deputy Director-General, Tourism Infrastructure & Investment ³ | 229 | 6 | 26 | - | 261 |
| Deputy Director-General, Tourism Recovery, Olympic Engagement and Legacy ⁴ (13 December 2021 to 30 June 2022) | 118 | 3 | 13 | - | 134 |
| Deputy Director-General, Innovation | 250 | 6 | 23 | - | 279 |
| Chief Executive Officer, Queensland Academy of Sport | 358 | 8 | 39 | - | 405 |
| Total | 1,802 | 43 | 199 | 91 | 2,135 |

¹ The occupant of this position was paid a termination benefit when the contract ended on 06 July 2021.

² These are two separate positions that are occupied by the same officer. All remuneration relating to this officer has been captured under the position of Acting Deputy Director-General Corporate Services effective 03 July 2021.

³ This position was redesignated from Deputy Director-General, Tourism and Major Events effective 13 December 2021 as part of a departmental restructure.

⁴ This position was created effective 13 December 2021 as part of a departmental restructure.

The department does not have any non-monetary benefit to disclose in relation to its KMP.

26. Key management personnel (KMP) disclosures (continued)

Remuneration expenses (continued)

2020-21

| Position | Short-term employee expenses \$'000 | Long-term employee expenses \$'000 | Post-employment expenses \$'000 | Termination benefits \$'000 | Total expenses \$'000 |
|--|-------------------------------------|------------------------------------|---------------------------------|-----------------------------|-----------------------|
| Director-General ¹ | 458 | 10 | 49 | - | 517 |
| Deputy Director-General, Corporate | 257 | 6 | 28 | - | 291 |
| Deputy Director-General - Innovation (1 July 2020 to 30 April 2021) | 248 | 5 | 26 | 51 | 330 |
| Acting Deputy Director-General - Innovation (03 May 2021 to 30 June 2021) | 54 | 1 | 4 | - | 59 |
| Deputy Director-General, Tourism and Major Events | 249 | 6 | 27 | - | 282 |
| Project Chief Executive ⁶ (1 July 2020 - 31 August 2020) | 75 | 1 | 7 | - | 83 |
| Positions transferred from DCHDE as a result of MoG changes | | | | | |
| Acting Assistant Director-General, Sport and Recreation ² (1 December 2020 to 30 June 2021) | 144 | 3 | 14 | - | 161 |
| Chief Executive Officer, Queensland Academy of Sport ³ (1 December 2020 to 30 June 2021) | 201 | 5 | 22 | - | 228 |
| Positions transferred to DSDILGP as a result of MoG changes | | | | | |
| Coordinator-General (1 July 2020 to 30 November 2020) | 158 | 4 | 19 | - | 181 |
| Assistant Coordinator-General, State Development Areas (1 July 2020 to 30 November 2020) | 101 | 2 | 11 | - | 114 |
| Assistant Coordinator-General, Land Acquisition and Project Delivery ⁴ (1 July 2020 to 09 October 2020) | 64 | 1 | 6 | - | 71 |
| Assistant Coordinator-General, Project Evaluation and Facilitation (09 October 2020 to 30 November 2020) | 29 | 1 | 3 | - | 33 |
| Assistant Coordinator-General, Coordinated Project Delivery ⁵ (1 July 2020 to 30 September 2020) | 59 | 1 | 6 | - | 66 |
| Deputy Director-General, State Development (1 July 2020 to 30 November 2020) | 100 | 2 | 11 | - | 113 |
| Acting General Manager, Economic Development Queensland (1 July 2020 to 30 November 2020) | 98 | 2 | 11 | - | 111 |
| Positions transferred to QT as a result of MoG changes | | | | | |
| Deputy Director-General, Investment Facilitation and Partnership (1 July 2020 to 30 November 2020) | 111 | 2 | 9 | - | 122 |
| Positions abolished as a result of MoG changes | | | | | |
| Deputy-Director General, Economic Policy and Communications (1 July 2020 to 30 November 2020) | 111 | 2 | 12 | - | 126 |
| Total | 2,518 | 56 | 267 | 51 | 2,892 |

¹ During the period 23 November 2020 to 18 June 2021, the current officer performed the position of Director-General in an acting capacity.

² The total KMP remuneration transferred to the Department as a result of MoG changes for the year up to 30 November 2020 as disclosed in DCHDE Financial Statements is \$121,000.

³ The Chief Executive Officer, Queensland Academy of Sport was not identified as a KMP in DCHDE.

⁴ This position was redesignated to Executive Director, Project Development and Facilitation from 1 October 2020 as part of a departmental restructure.

⁵ This position was redesignated to Assistant Coordinator-General, Project Evaluation and Facilitation from 1 October 2020 as part of a departmental restructure.

⁶ Effective 1 September 2020, this position was no longer a KMP. For the period of 1 July to 31 August 2020, this position was only occupied for a total 4 weeks.

The department does not have any non-monetary benefit to disclose in relation to its KMP.

Performance payments

No KMP remuneration packages provide for performance or bonus payments.

27. Related party transactions

Transactions with people/entities related to KMP

Post-employment benefits for superannuation are provided through defined contributions (accumulation) plans or the Queensland Government's QSuper defined benefit plan as determined by the employee's conditions of employment.

Transactions with other Queensland Government-controlled entities

The department's primary ongoing sources of funding from the government for services is appropriation revenue and equity injections, both of which are provided in cash via QT and are disclosed in Note 3.

The department received contributions from QRA for disaster recovery as disclosed in Note 5.

The department has leases with DCHDE and DEPW for commercial office accommodation, storage facilities and car park spaces. Property and building expenses incurred are disclosed in Note 8.

The department engages Queensland Shared Services (QSS) and Department of Agriculture and Fisheries Information Technology and Partners (DAF ITP) for the provision of technology and business services under a service level agreement. Shared service provider fees incurred are disclosed in Note 8.

The department is a member of the ALCS and LSL Schemes which are administered by QT. Annual leave levy and long service leave levy expenses are disclosed in Note 7.

The department provides administered revenue to TEQ, and SQ as disclosed in Note 25. Effective 1 December 2020, the administration of Cross River Rail Development Authority was transferred to DTMR under the MoG changes.

The department had significant transactions with other government departments and statutory bodies for supplies and services and grants programs expenditure as disclosed in Note 9 and Note 8.

The department paid SQ for the QSAC redevelopment as disclosed in Note 13.

28. Agency transactions and balances

The department performs a custodial role in respect of transactions and balances in relation to the Brisbane 2032 Taskforce, DPC.

Trade and Investment Queensland (TIQ) and the department have a Memorandum of Understanding in place for processing of grants through one of the department's Grant Management System.

The department also has an agreement with DSDILGP for the processing of Biofutures Industry Research Fellowships grant through one of the department's Grants Management System.

As the department performed only a custodial role in respect of the balances below, these are not recognised in the financial statements, but are disclosed in these notes for the information of users.

| | 2022 \$'000 | 2021 \$'000 |
|---|----------------|----------------|
| Brisbane 2032 Taskforce (DPC) revenue and expenses | | |
| Revenues | | |
| Grants and other contributions | 753 | - |
| Total revenue | <u>753</u> | <u>-</u> |
| Expenses | | |
| Employee expenses | 548 | - |
| Supplies and services | 205 | - |
| Total expenses | <u>753</u> | <u>-</u> |
| TIQ expenses | | |
| Expenses | | |
| Grants and subsidies | (6) | 609 |
| Total expenses | <u>(6)</u> | <u>609</u> |
| DSDILGP expenses | | |
| Expenses | | |
| Grants and subsidies | 195 | 305 |
| Total expenses | <u>195</u> | <u>305</u> |

28. Agency transactions and balances (continued)

Effective 1 December 2020, the department no longer performs a custodial role in respect of transactions and balances in relation to the Department of Regional Development, Manufacturing and Water (DRDMW).

| | 2022 \$'000 | 2021 \$'000 |
|-------------------------------------|----------------|----------------|
| DRDMW revenue and expenses | | |
| Revenues | | |
| Appropriation revenue | - | 10,231 |
| Grants and other contributions | - | 208 |
| Total revenue | <u>-</u> | <u>10,439</u> |
| Expenses | | |
| Employee expenses | - | 2,688 |
| Supplies and services | - | 1,687 |
| Grants and subsidies | - | 5,858 |
| Other expenses | - | 206 |
| Total expenses | <u>-</u> | <u>10,439</u> |
| DRDMW assets and liabilities | | |
| Current assets | | |
| Cash and cash equivalents | - | 160,033 |
| Receivables | - | 223 |
| Total assets | <u>-</u> | <u>160,255</u> |
| Current liabilities | | |
| Payables | - | 146,108 |
| Accrued employee benefits | - | 256 |
| Total liabilities | <u>-</u> | <u>146,364</u> |

29. 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 Benefit Tax (FBT) and Goods and Services Tax (GST). FBT and GST are the only taxes accounted for by the department. GST credits receivable from, and GST payable to the ATO, are recognised in Note 12.

30. Climate risk disclosure

Climate risk assessment

The department considers specific financial impacts relating to climate related risks by identifying and monitoring material accounting judgements and estimates used in preparing the financial report. This includes the potential for changes in asset useful lives, changes in the fair value of assets, provisions or contingent liabilities and changes in expenses and revenue.

The department has not identified any material climate related risks relevant to the financial report at the reporting date. The department continues to monitor the emergence of such risks under the Queensland Government's Climate Transition Strategy, and Climate Action Plan 2030.

Current Year Impacts

No adjustments to the carrying value of recorded assets or other adjustments to the amounts recorded in the financial statements were recognised during the financial year.

Future Year Impacts

The department will incorporate an assessment into the ongoing review of asset useful lives and fair value of assets.

31. Significant financial impacts from COVID-19 Pandemic

The following significant transactions were recognised by the department during 2021-22 financial year in response to the COVID-19 Pandemic.

| Operating Statement | 2022 | 2021 |
|---|----------------|----------------|
| | \$'000 | \$'000 |
| Significant expense transactions arising from COVID-19: | | |
| Tourism and Hospitality Sector Hardship Program | 134,406 | - |
| Growing Tourism Infrastructure Fund 2020 | 7,181 | 17,056 |
| Work in Paradise | 5,607 | - |
| Queensland Incentive Program | 5,500 | - |
| Marketing Fund | 5,000 | - |
| Regional Tourism Organisation Fund | 5,000 | - |
| Event Boost | 2,000 | - |
| COVID-19 Marine Tourism Rebate | 1,930 | 1,855 |
| University of Queensland - COVID-19 Vaccine | 1,600 | 7,650 |
| Industry Research Fellowships - Round 3 | 1,505 | 2,205 |
| Tourism Business Financial Counselling | 1,432 | 445 |
| Gold Coast Play Money Campaign | 1,000 | - |
| COVID-19 Safe Active Restart Recovery | - | 36,722 |
| Tourism Icons | 2 | 25,018 |
| Targeted Tourism Campaigns | - | 7,000 |
| Airline Route Support | 575 | 6,300 |
| COVID-19 International Tourism Adaptation Grant | - | 2,428 |
| Support to International Students impacted by COVID-19 | - | 719 |
| Queensland Holiday Dollars Travel Vouchers | 500 | - |
| Tourism Recovery Action Plan | 450 | - |
| Ignite Ideas Round 6 | 274 | 564 |
| Xing | 246 | - |
| BDO Business of Entrepreneurship | 113 | - |
| COVID-19 Safe Active Clubs Kickstart Round 2 | 102 | - |
| Active Restart Infrastructure Recovery Fund | 11 | - |
| Mental Health Services for Founders | 6 | - |
| | 174,440 | 107,962 |

**Department of Tourism, Innovation and Sport
Management Certificate for the year ended 30 June 2022**

These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), section 38 of the *Financial and Performance Management Standard 2019* 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 compiled with in all material respects; and
- (b) the financial 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 Tourism, Innovation and Sport for the period ended 30 June 2022 and of the financial position of the department at the end of that period; and

The Director-General, as the Accountable Officer of the Department, acknowledges responsibility under section 7 and section 11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.

S Summers

**Stephanie Summers CPA
Chief Finance Officer
Date: 29 August 2022**



**John Lee
Director-General
Date: 29 August 2022**

INDEPENDENT AUDITOR'S REPORT

To the Accountable Officer of the Department of Tourism, Innovation and Sport

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of the Department of Tourism, Innovation and Sport.

In my opinion, the financial report:

- a) gives a true and fair view of the department's financial position as 30 June 2022, and its financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.

The financial report comprises the statement of financial position and statement of assets and liabilities by major departmental services and commercialised business unit as at 30 June 2022, the statement of comprehensive income, statement of changes in equity, statement of cash flows and statement of comprehensive income by major departmental services and commercialised business unit for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the management certificate.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the department in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

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

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. I addressed these matters in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Valuation of buildings and infrastructure assets (\$123.270 million)

Refer to note 14 in the financial report.

| Key audit matter | How my audit addressed the key audit matter |
|--|---|
| <p>Building and infrastructure assets were material to the Department of Tourism, Innovation and Sport at balance date and were measured at fair value using the current replacement cost method.</p> <p>The current replacement cost method comprises:</p> <ul style="list-style-type: none"> • gross replacement cost, less • accumulated depreciation. <p>The department performs a comprehensive revaluation of all its land, buildings and infrastructure assets at least every five years, or whenever a material variation is expected to have occurred, with desktop valuations conducted in the intervening period.</p> <p>A comprehensive valuation was conducted in 2019–20 by a valuation specialist for all buildings and infrastructure assets. In the current financial year a desktop valuation was performed by a valuation specialist.</p> <p>The department derived the gross replacement cost of its buildings and infrastructure assets at balance date through unit prices that required significant judgements for:</p> <ul style="list-style-type: none"> • identifying the components of buildings and infrastructure assets with separately identifiable replacement costs. • developing a unit rate for each of these components. • indexing unit rates for subsequent increases in input costs. <p>The measurement of accumulated depreciation involved significant judgements for forecasting the remaining useful lives of building and infrastructure asset components.</p> <p>The significant judgements required for gross replacement cost and useful lives are also significant for calculating the annual depreciation expense.</p> | <p>My audit procedures included, but were not limited to:</p> <p>In a previous year when a comprehensive valuation was conducted:</p> <ul style="list-style-type: none"> • Assessing the competence, capability and objectivity of the valuation specialist. • Assessing the adequacy of management's review of the valuation process. • Obtaining an understanding of the methodology used and assessing the design, integrity and appropriateness using common industry practices. <p>In the current year when indexation was applied:</p> <ul style="list-style-type: none"> • Evaluating the reasonableness of the indices used against other publicly available information about movements in values for replacement costs of similar assets. • Assessing the ongoing reasonableness of the asset useful lives by reviewing management's annual assessment of useful lives. • Performing reasonableness tests to confirm depreciation is calculated in accordance with the department's accounting policies and industry standards. |

Responsibilities of the department 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 the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards, and for such internal control as the Accountable Officer determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Accountable Officer is also responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the department or to otherwise cease operations.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. This is not done for the purpose of expressing an opinion on the effectiveness of the department's internal controls, but allows me to express an opinion on compliance with prescribed requirements.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the department.
- Conclude on the appropriateness of the department's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the department's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the department to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

From the matters communicated with the Accountable Officer, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Statement

In accordance with s. 40 of the *Auditor-General Act 2009*, for the year ended 30 June 2022:

- a) I received all the information and explanations I required.
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the Financial and Performance Management Standard 2019. The applicable requirements include those for keeping financial records that correctly record and explain the department's transactions and account balances to enable the preparation of a true and fair financial report.



30 August 2022

Michelle Reardon
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

