



GasFields Commission Queensland

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# **2019 – 2020 Annual Report**

# About this Report

This annual report reviews activities and achievements of the GasFields Commission Queensland (GFCQ or the Commission) for the 2019–2020 financial year (FY20) against strategic objectives and measures of success listed in the Commission’s current [2020–2024 Strategic Plan](#) which was adopted on 25 February 2020. Where appropriate, further activities and achievements have been reported against strategic objectives found in the Commission’s former [2018-2022 Strategic Plan](#). This annual report has been prepared in accordance with the Commission’s regulatory reporting obligations under s35 of the [Gasfields Commission Act 2013](#), the [Financial Accountability Act 2009](#) and [Financial and Performance Management Standard 2019](#).

## Public availability and further information

This report, the strategic plans and other publications by the Commission are available at [www.gfcq.org.au/about-us/our-organisation](http://www.gfcq.org.au/about-us/our-organisation). Please contact the Commission on +61 7 3067 9400 or via the address below to request a printed copy of this report. Additional reporting requirements are published online at [www.gfcq.org.au](http://www.gfcq.org.au).

## Interpreter service



GFCQ is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty understanding this annual report, you can contact the Commission on +61 7 3067 9400, or via [enquiries@gfcq.org.au](mailto:enquiries@gfcq.org.au), and we will arrange an interpreter to effectively communicate the report to you.

## Have your say

GFCQ hopes you find the GasFields Commission Queensland 2019–2020 Annual Report useful and informative. This report is part of the Commission’s commitment to keeping people informed about its role in managing and improving sustainable coexistence among landholders, regional communities and Queensland’s onshore gas industry.

The Commission welcomes your comments about the design and content of the report. Please send your feedback to the Chief Executive Officer, GasFields Commission Queensland, PO Box 15266, CITY EAST, QLD 4002 or email us at [enquiries@gfcq.org.au](mailto:enquiries@gfcq.org.au).

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GasFields Commission Queensland 2019–2020 Annual Report

ISSN 2203-9937

17 September 2020

The Honourable Glenn Butcher MP  
Minister for Regional Development and Manufacturing  
PO Box 15009  
CITY EAST QLD 4002

Dear Minister

I am pleased to submit for presentation to the Parliament the Annual Report 2019 – 2020 and financial statements for the GasFields Commission Queensland.

I certify that this annual report complies with:

- prescribed requirements set out under section 35 of the *Gasfields Commission Act 2013*
- prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*, and
- detailed requirements set out in the *Annual Report Requirements for Queensland Government Agencies*.

A checklist outlining the annual reporting requirements can be found on page 53 of this annual report.

Yours sincerely

A handwritten signature in black ink, appearing to read "Ian Langdon".

Ian Langdon  
Chair

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# Message from the Chair

Over the past 12 months, the Commission has continued to play an important role in managing and improving sustainable coexistence between landholders, regional communities and Queensland's onshore gas industry.

This financial year saw a major resetting of the Commission including changes to its leadership at Board and organisational levels, reengagement with key stakeholders, development and implementation of a new strategy and changes to structure, resource mix, policies and business systems to ensure they are fit for purpose and enable delivery of the new strategy.

Comprehensive stakeholder consultation and feedback informed development of the Commission's new 2020-2024 Strategic Plan. The new Strategic Plan strongly aligns with the Commission's legislative purpose and functions.

This resetting coincided with, and was informed by, the performance review being undertaken by the Queensland Audit Office (QAO) of the management of coal seam gas (CSG) in Queensland.

Amongst other things, the QAO's final performance review report found that the gas industry has matured and is now more viable because the Commission (and others) have invested in relationships with landholders and regional communities.

It also found that during the audit the Commission has reinvigorated its engagement with resource companies, landholders, regional communities and government departments to better understand stakeholders' perceptions and assess how best to deliver its functions. The review also found that the Commission was not adequately delivering its oversight (review) function.

The Commission has now developed a framework within which this particular strategic objective<sup>1</sup> will be delivered. The Commission is now working closely with all key stakeholders to identify how delivery of this function adds value and provides stakeholders – especially landholders and government – with the information and assurance they need that the policy and legislative framework regulating the onshore gas industry is being implemented effectively.

During FY20, and despite constraints imposed by the COVID-19 pandemic, the Commission placed a strong focus on building trust and improving relationships with key stakeholder groups, primarily targeting landholders, regional community groups, regional petroleum and gas industry peak bodies, and members of the general public. The Commission recognises that effective stakeholder engagement is key to the successful advancement of sustainable coexistence.

As well as utilising regionally-based stakeholder engagement officers, the Commission established two new stakeholder advisory groups during FY20 (the Stakeholder Advisory Group and Surat Stakeholder Advisory Group) to obtain stakeholder feedback, gain awareness of matters relevant to the function of the Commission, disseminate information, and provide stakeholder advice and support in a timely and effective manner.

This strong stakeholder engagement seeks to address information imbalances – especially for landholders through the provision of pertinent information (e.g. [Shared Landscapes](#) Report), practical tools (e.g. [Make Good Agreement \[MGA\] templates](#)), and educational sessions (e.g. webinars and workshops). In this way, stakeholders – especially landholders – have easy access

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<sup>1</sup> Strategic Objective 2: Review the effectiveness of government entities in implementing regulatory frameworks that relate to the onshore gas industry.

to the information and support they need to make informed decisions and achieve fair and reasonable outcomes throughout negotiations with the petroleum and gas industry.

Whilst there is still much work to be done, stakeholder feedback indicates the Commission has well and truly 'turned a corner' with considerable support for its new direction and reinvigorated approach to performing its role and functions.

As a result, the Commission now has a much more positive and collaborative relationship with all key stakeholders and is delivering valued outcomes that contribute to managing and improving sustainable coexistence between landholders, regional communities and Queensland's onshore gas industry.

A handwritten signature in black ink, appearing to read 'Ian Langdon', written in a cursive style.

Ian Langdon  
Chair

# About the GasFields Commission Queensland

The GFCQ is an independent statutory body established under the [Gasfields Commission Act 2013](#) (the Act). Its purpose is to manage and improve the sustainable coexistence of landholders, regional communities and the onshore gas industry in Queensland.

## Our vision

*To achieve thriving and inclusive communities in areas of gas development supported by respectful and balanced stakeholder relationships.*

## Our functions

The Act prescribes 14 functions for the Commission which can be broadly summarised in three categories (these form the basis of our objectives and are consistent with our 2020-2024 Strategic Plan):

- **FACILITATE** better relationships between landholders, regional communities and the onshore gas industry through effective stakeholder relationships, collaborations and partnerships to support education and information sharing
- **REVIEW** the effectiveness of government entities in implementing regulatory frameworks related to the onshore gas industry
- **ADVISE** agriculture and gas industry peak bodies, government ministers and regulators, and both landholders and regional community groups on matters relating to sustainable coexistence, leading practice and management of the onshore gas industry.

## Our strategic objectives

1. Facilitate effective stakeholder relationships, collaborations and partnerships to support information sharing related to the onshore gas industry
2. Review the effectiveness of implementation of regulatory frameworks related to the onshore gas industry
3. Advise ministers, government entities and the onshore gas industry on matters related to sustainable coexistence, leading practice and management of the onshore gas industry
4. Develop a capable, high-performing and adaptable workforce.

## Our services

As an independent statutory body, the Commission has a unique opportunity and responsibility to facilitate engagement between a diverse and varied range of stakeholder perspectives and interests. Our key stakeholders include landholders, agriculture peak bodies, the gas industry and its peak bodies, regional communities, government and other non-government entities, and research organisations.

We provide the following services in line with the functions prescribed under the Act:

- engage with landholders and regional communities to help them adapt to the introduction and operation of gas development

- provide information, advice and support to stakeholders (especially landholders) to enable informed decision-making
- inform on best practice business-to-business relationships between landholders and resource companies
- provide advice to government on the implementation of the current policy and regulatory framework, and options for improvement
- recommend improved industry practice by all involved
- respond as the first point of contact for anything related to the onshore gas industry in Queensland
- compile and distribute information, data and facts about the gas industry.

## Location of services

The Commission's head office is located in Brisbane, with regional staff based in Toowoomba and Dalby. All staff are equipped to travel throughout Queensland to provide support to landholders and regional communities where required.

## Key strategic risks and opportunities

The Commission's key opportunities, challenges, and the management of key strategic risks during FY20 are outlined below.

<b>STRATEGIC RISKS</b>	
<b>Demonstrating and communicating our role</b>	There is a strong and ongoing need to effectively communicate and demonstrate the Commission's role and value proposition to all stakeholders.
<b>Maintaining trusted and respectful working relationships with all stakeholders</b>	Strong and effective relationships with stakeholders are fundamental to the Commission's ability to deliver sustainable coexistence outcomes. A strong and ongoing effort is required to continue to develop, maintain and strengthen trusted relationships with a diverse range of stakeholders.
<b>Making a difference</b>	Being a small organisation, the Commission needs to ensure it is innovative in its approach, collaborates with stakeholders, leverages resources, and prioritises its capabilities on those matters that are significant and strongly aligned with its legislative purpose and functions.
<b>OPPORTUNITIES</b>	
<b>Unique and independent role</b>	Our unique and broad role, along with our independent status, enables us to operate in a way that can deliver important facilitate, review and advise services.
<b>Agility</b>	Given its small size and regional presence, the Commission is able to quickly identify and respond to the needs of our stakeholders and issues as they arise.
<b>Partnerships and collaboration</b>	We develop and maintain strong working relationships to partner and collaborate with all stakeholder groups to address sustainable coexistence issues.



# Non-Financial Performance

## Government's objectives for the community

The Commission contributes to **creating jobs in a strong economy** by:

- managing and improving sustainable coexistence which allows the agriculture and gas industries to grow along with regional communities
- supporting the growth of strong working relationships between landholders, resource companies and regional communities through communication and engagement.

The Commission contributes to **keeping Queenslanders healthy** by:

- promoting relevant mental health information through its regular engagement and communication activities, including those targeted at landholders in emerging areas of gas development
- circulating mental health awareness information, where suitable, by way of its publications, engagement and communications activities.

The Commission contributes to **being a responsive government** by:

- providing advice and recommendations to improve regulatory frameworks and their implementation, and supporting stakeholders to effectively navigate them
- publishing comprehensive data and information on trends in the petroleum and gas industry and agricultural sectors
- providing practical tools to assist landholders and resource companies in reaching amicable land access agreements and to address the information imbalance between landholders and industry
- proactively communicating via a range of platforms to suit a range of stakeholders, with a particular focus on face-to-face regional engagement.

## Strategic objectives and performance indicators

**STRATEGIC OBJECTIVE 1:** Facilitate effective stakeholder relationships, collaborations and partnerships to support information-sharing related to the onshore gas industry

### Performance indicators:

- Role of the Commission is understood and valued by stakeholders
- The Commission is trusted by stakeholders to provide valued, balanced and independent services and support
- Strong stakeholder satisfaction with, and participation in, stakeholder engagement activities.

### Achievements:

#### Development of a comprehensive communications and stakeholder engagement strategy and associated plans

- The Commission has developed and adopted a comprehensive Stakeholder Engagement and Communications Strategy. Its purpose is to identify:
  - our key stakeholders
  - our objectives and methods for communicating and engaging with them
  - key messages about the Commission, the onshore gas industry and coexistence
  - a broad overview of the specific communication and engagement strategies and initiatives we have planned for 2020.
- Implementation of this strategy will help demonstrate how the Commission is fulfilling requirements and recommendations as per:
  - the [Gasfields Commission Act 2013](#)
  - the Queensland Audit Office's recent performance audit [Managing coal seam gas activities](#)
  - feedback from key stakeholders
  - the [Independent Review of the GasFields Commission Queensland and Associated Matters](#) by Robert P. Scott.
- Consistent with the Stakeholder Engagement and Communications Strategy, the Commission developed, adopted and is implementing a comprehensive Stakeholder Engagement Plan.
- The Stakeholder Engagement Plan identifies the key stakeholder engagement activities proposed by the Commission for calendar year 2020 and aligns strongly with the 'Roadmap' included in [The Gas Guide](#). It provides greater clarity on planned strategies and initiatives for:
  - early engagement
  - land access agreements
  - [MGA templates](#)
  - construction and operational phases
  - land rehabilitation and handback
  - helping hands.

- For each planned stakeholder engagement activity, the Stakeholder Engagement Plan sets out the:
  - outcomes sought (scope)
  - reasons for undertaking the activity
  - key stakeholders to be engaged
  - locations, frequency and broad timing
  - supporting areas within the Commission, Government and other stakeholders.

## **Communications and Social Media Plan**

- The Commission has developed and is currently implementing an updated Communications and Social Media Plan. Amongst other things its purpose is to:
  - increase general awareness of the GFCQ brand
  - increase trust in the services and functions delivered by the GFCQ
  - clearly define the role, value, and positioning/jurisdiction of the GFCQ to all stakeholders
  - build trust and improve relationships (both new and existing) with key stakeholder groups.
- Key elements that will facilitate the successful implementation and delivery of this plan will be the release of the Commission’s new website and the continued growth of its online audiences (social media ‘followers’, webinar attendees, visitors to the website).

## **Leading and coordinating stakeholder engagement activities**

- Consistent with a QAO recommendation, the Commission is working with the Department of Natural Resources, Mines and Energy (DNRME) and the Department of Environment and Science (DES) to evaluate their current collaborative engagement approach to determine its effectiveness and how they can better address the needs and concerns of stakeholders.
- This involves the Commission taking a collaborative approach with various Queensland State Government departments through the establishment of the GFCQ Resource Engagement Coordination Group.
- Key outcomes from this collaboration will be:
  - coordination of engagement activities within resource communities
  - sharing of relevant and prioritised issues and, where possible, data to support engagement activities
  - ensure consistency of engagement and project implementation methodology.

## **Establishment of standing stakeholder engagement forums**

- The Commission has established the following stakeholder groups/committees for the respective purposes:
  - Stakeholder Advisory Group (SAG) est. March 2020 – This group is the primary mechanism for the Commission to consult with and inform its key landholder, gas industry and government (regulatory) stakeholders on its operations and related matters. The SAG is used to obtain stakeholder feedback, gain awareness of

matters relevant to the function of the Commission, disseminate information, and provide stakeholder advice and support in a timely and effective manner.

- GFCQ/DNRME/DES Steering Committee est. May 2020 – This group’s purpose is to collaborate on the implementation of shared QAO Performance Review recommendations.
- Surat Stakeholder Advisory Group (SSAG) est. June 2020 – The SSAG is the primary regional mechanism for the Commission to consult with and inform its key stakeholders and the Surat regional community on its operations and related sustainable coexistence matters. The SSAG is used to obtain stakeholder feedback, gain awareness of matters relevant to the function of the Commission, disseminate information, and provide stakeholder advice and support in a timely and effective manner.

### **Landholder engagement and community workshops**

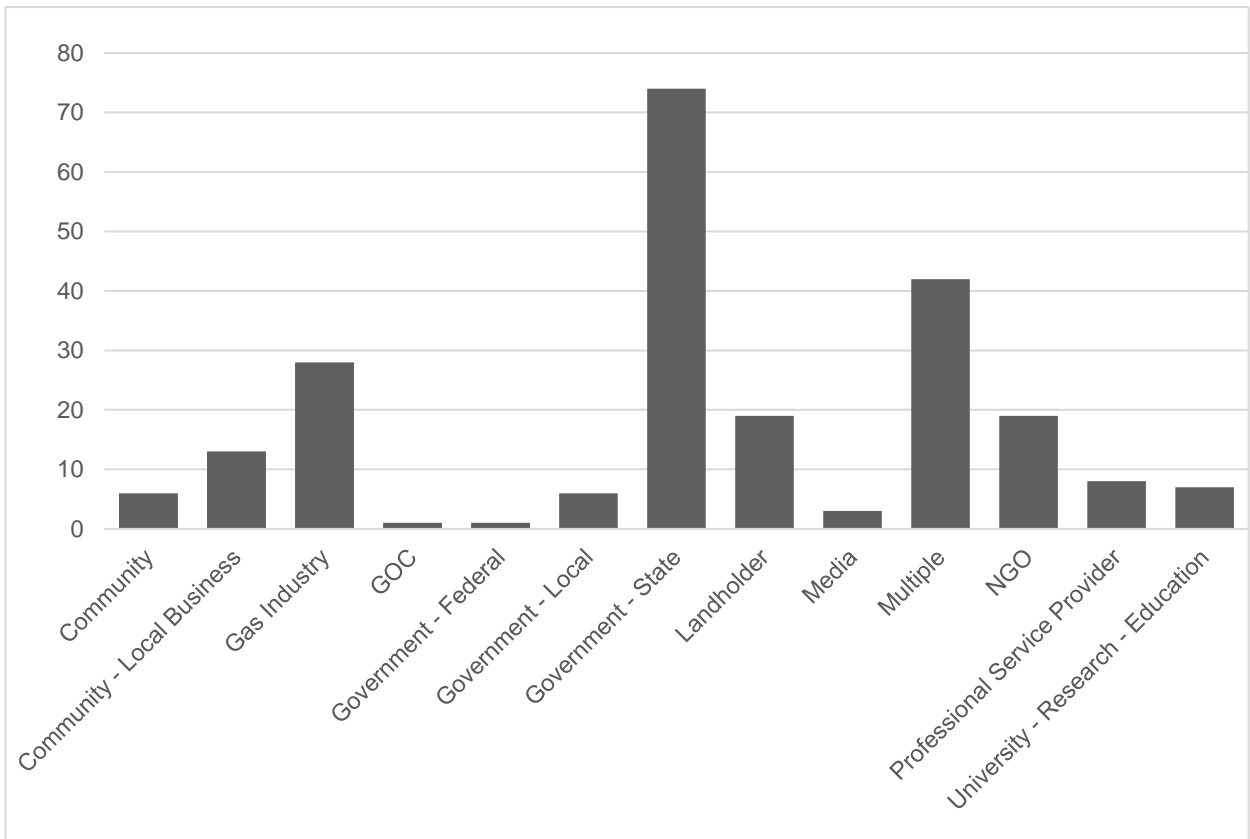
- Delivered four ‘Gas Industry Phases & Activities’ workshops in Tara, Meandarra, Kianga (Moura) and Emerald to support the release of the Queensland Exploration Program (QEP). These workshops delivered an overview of:
  - the petroleum and gas industry in Queensland
  - the different phases of the petroleum and gas industry, and the activities carried out in each phase
  - the impacts that landholders might experience during each phase
  - the roles and responsibilities of the Queensland State Government, petroleum and gas companies, and landholders
  - tips to help landholders build positive working relationships with the petroleum and gas industry
- Delivered two Bore Assessment and MGA workshops in Dalby and Chinchilla with a 3-step process of understanding information around the:
  - [the Underground Water Impact Report \(UWIR\)](#)
  - [bore assessments](#)
  - [MGAs](#).
- Hosted a ‘Compensation/Negotiation’ workshop at the request of the Land Court of Queensland (LCQ) to brief the Alternative Dispute Resolution Panel on the process of negotiation and supporting legislation.
- Facilitated four ‘Dispute Resolution’ information sessions in Moranbah, Moura, Chinchilla and Dalby with the LCQ, the Office of the Land Access Ombudsman (OLAO), DNRME and DES. These sessions were held in areas with advanced gas activities throughout Queensland and provided information on ‘who we are, what we do and how we can help’.
- Participated in thirteen Industry Information updates facilitated by Shell QGC, Arrow Energy and Origin Energy on current operations in the field.
- Participated in nine field tours conducted by the petroleum and gas industry to remain informed on gas projects throughout Queensland, including:
  - Westside Corporation (Moura)
  - Arrow Energy (Dalby/Moranbah)
  - Santos (Roma)

- Origin (Chinchilla/Miles)
- Senex (Wandoan)
- APPEA.
- Collaborated with local government mayors and councillors (i.e. Western Downs Regional Council, Maranoa Regional Council, Banana Shire Council, Central Highlands Regional Council, Isaac Regional Council and Gladstone City Council), and chambers of commerce, to support a shared vision for their local area by addressing new and emerging legacy issues and opportunities involving the petroleum and gas industry.
- Participated in a variety of public forums to support improvement of long-term sustainability of regional communities and greater transparency about the onshore gas industry, including:
  - South East Qld Energy & Resource Expo (Toowoomba)
  - Toowoomba Surat Basin Enterprise (TSBE) evenings (Dalby and Chinchilla)
  - Sun Water ‘Developing Future Scenarios’ workshop (Chinchilla)
  - Chinchilla Chamber of Commerce ‘strategic plan’ development
  - Animal Health Australia Biosecurity Management Plan development
  - University of Queensland Centre for Natural Gas Annual Research Review (Brisbane)
  - Asia Pacific Unconventional Resources Technology Conference (Brisbane)
  - Queensland Great Artesian Basin Advisory Council (QGABAC) teleconference.

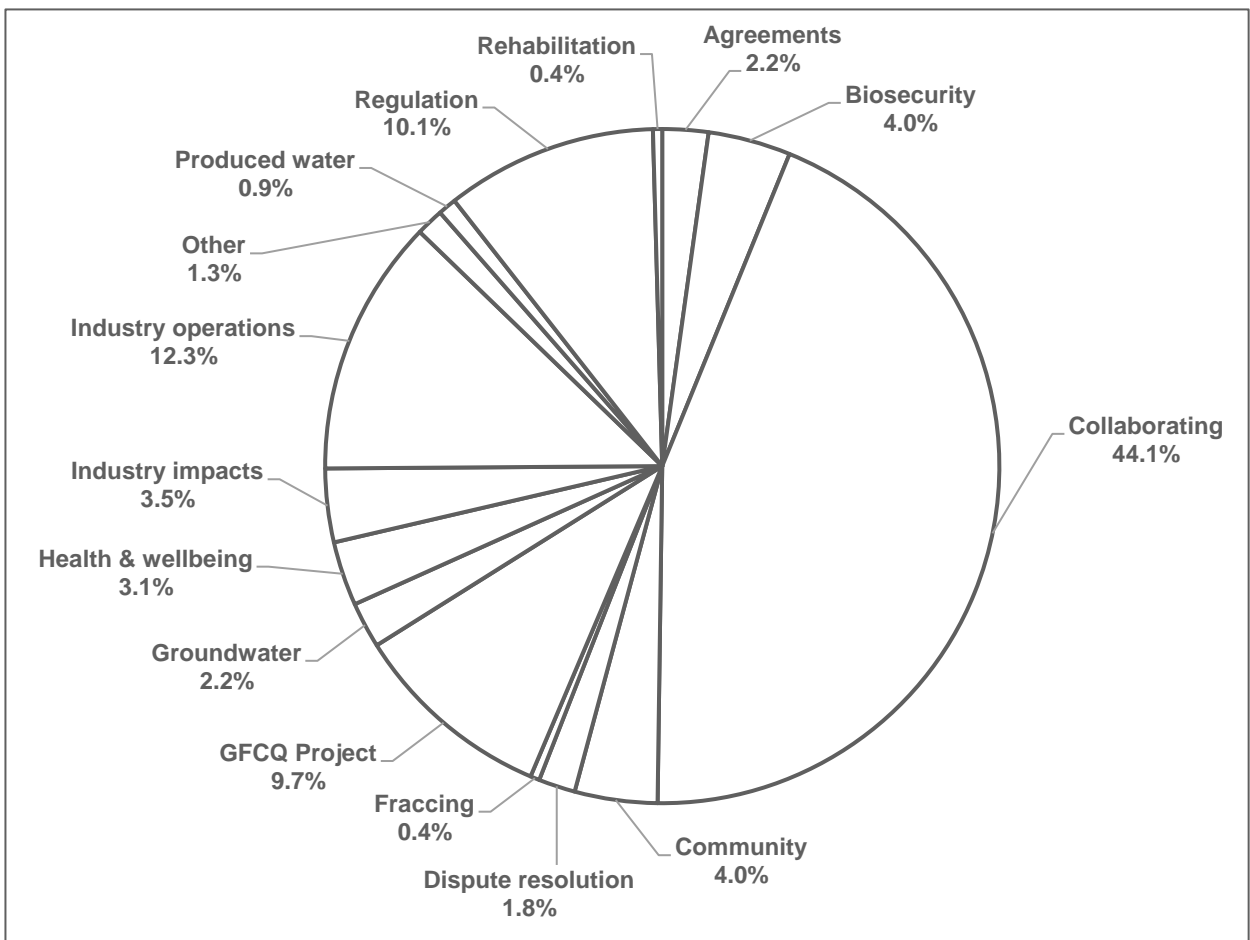
During FY20 the Commission commenced planning a series of webinars to be run in conjunction with DNRME, DES, LCQ, OLAO and the Office of Groundwater Impact Assessment (OGIA). The webinars are being designed to assist landholders who are engaging with petroleum and gas companies to gain relevant information on laws, best practice processes, environmental management, the support available to them, and the role and responsibilities of each of the relevant entities.

The first in the series of educational webinars (titled [‘Navigating Land Access’](#)) was successfully delivered in collaboration with the DNRME, DES, LCQ and OLAO on Monday 31 August 2020.

The Commission’s Stakeholder Relationship Management System (SRM) recorded 227 cases (engagements) with approximately 1,733 stakeholders. A snapshot of the SRM data as of 30 June 2020 is illustrated below:



**Types of stakeholders engaged in FY20**



**Subjects discussed with stakeholders in FY20**

## Hosting the Community Leaders Council

- Section 29 of the Act requires the Commission to establish a Community Leaders Council (CLC) to bring together the key leaders/subject matter experts (at the CEO/Chairman/Executive level) from all sectors to play a leadership role in managing and improving sustainable coexistence.
- The Commission hosted a CLC business breakfast titled 'ISAAC'S VISION - To feed, power and build communities' in Moranbah on 11 October 2019. The purpose of the event was to learn more about local communities' drive and commitment to better understand the fundamental matters that play a part in shaping Queensland's energy future.
- During FY20 the Commission has revised its approach and developed a draft CLC Charter which sets out more details of the operation of future CLCs.

## Collection, analysis and publishing comprehensive industry data

- The Commission collected, analysed and published a comprehensive suite of data about the onshore gas industry to improve transparency and address specific questions and concerns the community has about the onshore gas industry in Queensland.
- The [Shared Landscapes Report](#) was published in August 2019 – the Commission's first comprehensive 'State of the Sector' report. This report delivers on a recommendation from the independent Scott Review and reflects the significant contributions of the two primary industries, petroleum and gas and agriculture, that operate in unison on the same landscape.
- The Commission has completed a comprehensive evaluation of Shared Landscapes, which included seeking detailed feedback from relevant stakeholders. Whilst the stakeholder feedback suggested the report has been generally well-received, the Commission is keen to explore opportunities for improvement of the report's content as suggested by the QAO, and in response to stakeholder needs and feedback. On that basis, the Commission has developed a programmed approach for updating Shared Landscapes in preparation for its next publication.
- The Commission Board has approved a programmed, stakeholder-informed and valued approach to information publication.
- This programmed information publication approach includes three components:
  - a comprehensive 'State of the Sector' Report – to be published every 2 years, following on from the first Shared Landscapes publication.
  - an abridged 'Industry Report' – to be published every 12 months. An abridged version of the comprehensive report containing 8-10 pages of key information statistics and infographics including but not limited to snapshot content. The Commission published two industry snapshots for the period 2010-2015 and 2010-2016, highlighting four key areas (CSG infrastructure, landholders, groundwater and economic contribution). The latest Industry Snapshot was published in May 2018.
  - an 'Industry Snapshot' – to be published periodically (but likely to be quarterly). Containing 1-2 pages of infographics on key information statistics of interest to stakeholders.

- The Commission is actively engaging with key stakeholders to determine the type of information that would add value, and with regulators and industry to identify relevant, available and reliable information sources.
- Consistent with a QAO performance audit recommendation, the Commission has also commenced establishing data-sharing systems and processes with government agencies to improve the visibility and usability of data. This includes agreement on data requirements and a common identifier for CSG-related activities to better facilitate the exchange of information between the entities.

### **Health and wellbeing information prepared**

- The Commission consulted with representatives from Queensland Health, Rural and Remote Mental Health, the Queensland Mental Health Commissioner, the Darling Downs Hospital and Health Service, the University of Southern Queensland, and CSIRO to identify and catalogue existing material on mental health information, services and training relevant to the Commission's stakeholders.
- Based on the above consultation and further research, the Commission developed a catalogue of existing health information, services and training relevant to key stakeholders.
- The Commission developed a plan to ensure relevant staff undertake mental health awareness training.
- The Commission has also commenced regular 6-monthly engagement sessions with relevant health care providers to ensure relevant mental health information remains up to date.

### **Development of Make Good Agreement templates**

- The Commission developed [MGA templates](#) in consultation with relevant agriculture and gas industry peak bodies and government regulators.
- These templates were developed for use by petroleum and gas companies and bore owners to help the two parties reach agreement on the make good measures a bore owner receives when their water bore has, or is likely to have, an impaired capacity as a result of gas development on or near their property.

### **Updating the Commission's website**

- The Commission has undertaken a comprehensive review of its current website in response to stakeholder (especially landholder) feedback to improve its useability and content.
- Phase 1 of the 2-phase website update, that focused on immediate updates and improvements possible within the current website content management system (CMS) limitations, has been completed.



## Revising The Gas Guide

- The Commission has undertaken a review of [The Gas Guide](#)'s content (first published in May 2019) to ensure that all information is relevant, comprehensive and up-to-date. The Gas Guide collates all the information landholders need to know about gas development into one document covering everything from the awarding of exploration permits through to rehabilitation of the field.
- During FY20 the Commission commenced another comprehensive review of The Gas Guide, with the release of Gas Guide v2.0 expected to occur in the first half of the 2020-2021 financial year (FY21).

## Development of a standardised Conduct and Compensation Agreement (CCA) template

- Since March 2020, the Commission has been actively engaged with AgForce and APPEA to work through a number of issues leading to the development of a standard CCA template.
- A CCA template and associated supporting advice is expected to be released before the end of the 2020 calendar year.

## Responding to emerging and systemic coexistence issues

### Landholder access to public liability insurance

The Commission established a working group involving landholder peak bodies, industry peaks and the insurance industry to ensure that landholders with petroleum and gas infrastructure on their property are protected from negligence claims and can continue to obtain public liability insurance for their farming operations.

### Landholder concerns about a CSG water beneficial use scheme

The Commission investigated the performance of a beneficial use scheme that was set up to deliver treated CSG water to agricultural businesses in the Western Downs. The Commission investigated the issues raised and collected and analysed relevant performance data from the landholders, the gas company, the service provider, and the regulator.

In collaboration with the regulator, the Commission assessed the adequacy of the operation of the scheme and determined that even though there have been some challenges in the past on delivering on its original estimated water volume projections, the beneficial use scheme was being operated in an appropriate way, and that it was meeting its intended purpose. This outcome was subsequently communicated to affected landholders.

**STRATEGIC OBJECTIVE 2:** Review the effectiveness of government entities in implementing regulatory frameworks that relate to the onshore gas industry

### **Performance indicators:**

- Evidence-based and valued advice and recommendations provided to government
- Stakeholders engaged in development of the regulatory review methodology and its implementation.

### **Achievements:**

#### **Reviewing the residual risk framework**

- In response to release of the [‘Managing residual risks in Queensland’ discussion paper](#), the Commission facilitated a number of stakeholder workshops to evaluate the effectiveness of the implementation of the existing residual risk legislative provisions.
- Stakeholder feedback during Commission-facilitated residual risk sessions identified concerns with certain elements of the proposed implementation approach.
- The Commission subsequently assisted the regulator to develop an alternative proposal for implementing the existing residual risk legislative provisions which was more effective and addressed these concerns.

#### **Implementing a more programmed approach to reviews**

- To coexist effectively, rural landholders and regional communities need a high level of confidence that any impacts of the onshore gas industry’s activities are being regulated by government in an effective and transparent manner, and that all participants (including industry and regulators) are being held to account.
- In response to the recent QAO performance review finding, the Commission has dedicated resources and developed a high-level programmed and transparent approach to performing this function which has been approved by the Board and is highly informed by stakeholder input, to give stakeholders confidence that the Commission is providing oversight of the regulatory framework.
- To determine which regulatory issues are important to stakeholders (including those already identified by the recent QAO performance review), the Commission has and is continuing to engage with all key stakeholders through its Stakeholder Advisory Groups.
- The Commission has also engaged with the regulators to identify data sets that are currently being collected that would inform this review work. The Commission is in the process of developing a coordinated data sharing framework with the regulators for sharing information relating to their regulatory activities.
- It is expected that the review work will commence in the first half of FY21.

**STRATEGIC OBJECTIVE 3:** Advise ministers, government entities and the onshore gas industry on matters relating to sustainable coexistence, leading practice and management of the onshore gas industry

### **Performance indicators:**

- Provision of evidence-based advice and recommendations supported by stakeholders as balanced and independent
- Strong stakeholder engagement in advisory initiatives.

### **Achievements:**

#### **Responding to major policy submissions**

- The Commission reviewed the 'Code of Practice for the Construction and Abandonment of CSG and Petroleum Wells, and Associated Bores in Queensland' in response to a request from the Petroleum and Gas Inspectorate within [Resources Safety and Health Queensland](#) (previously within DNRME). The Commission reviewed the Code of Practice and provided a total of thirteen recommendations for their consideration. The Petroleum and Gas Inspectorate adopted three of the Commission's recommendations and agreed with another four.
- The Commission has worked closely with the Georesources Policy Division of DNRME to amend the 'Guide to Land Access in Queensland'. The Commission provided a number of recommendations to the Georesources Policy Division which are under consideration.

#### **Providing advice under the Regional Planning Interests Act 2014**

- There were no regional interest development assessment (RIDA) applications submitted to government under the [Regional Planning Interests Act 2014](#) (RPI Act) during FY20 by a petroleum and gas company to carry out activities on a Priority Living Area (PLA), Priority Agricultural Area (PAA) or Strategic Cropping Area (SCA). As a result, the Commission did not receive any referrals to provide advice to government about the ability of landholders, regional communities and the petroleum and gas industry to coexist within a PLA, PAA or SCA during FY20.

#### **Evaluating the adequacy of remedy**

- The Commission has started to work with DNRME and DES to develop a collaborative approach to address the QAO recommendation to further evaluate the adequacy of remedy for property owners neighbouring CSG activities.
- The Commission developed a project plan during Q4 FY20. The project plan has been approved by the Board and endorsed by DNRME and DES. The project is scheduled to start in July 2020 and to be completed by the end of March 2021.

#### **Reviewing the assessment process under the RPI Act**

- The Commission developed a project plan during Q4 FY20 in consultation with key stakeholders to address the QAO recommendation to review the assessment process

identified under the RPI Act to determine whether the process adequately manages CSG activities in areas of regional interest. This review will take into consideration stakeholders' concerns about inconsistent definitions of agricultural land and exceptions to the assessment process.

- The project plan was approved by the Board in Q4 of FY20 and endorsed by the Queensland Treasury planning group (responsible for implementing the RPI Act) and the Department of Agriculture and Fisheries. The project is scheduled to start in July 2020 and to be completed by the end of June 2021.

#### **STRATEGIC OBJECTIVE 4: Develop a capable, high performing and adaptable workforce**

##### **Performance indicators:**

- Positive employee survey results
- Performance and development agreements in place and being implemented for all staff
- Strong acceptance and embedded compliance with values, governance systems, policies and procedures.

##### **Achievements:**

- Developed and implemented a new Operational Plan to ensure the Commission delivers on its 2020-2024 Strategic Plan by identifying specific deliverables and milestones, and allocating officer delivery responsibilities
- Realigned the organisational structure and capability to better support the Commission's strategic direction
- Reviewed all staff role descriptions to ensure alignment with the new organisational structure and strategic objectives
- Undertook a Health Check of corporate systems, policies and practice
- Commenced work on a Risk Management Maturity Project including developing and adopting a Risk Appetite Statement and Risk Management Communication Strategy
- Reviewed and updated a number of corporate and governance policies and procedures, including a revised Procurement Policy and Procedure
- Rolled out of a series of compliance training including:
  - ergonomics
  - workplace bullying and occupational violence
  - fraud and corruption awareness
  - WHS awareness
  - code of conduct for the Queensland Public Service
  - cyber security awareness
  - sexual harassment prevention.

Professional development was supported through:

- Networking events
- Technical presentations and workshops for the gas and agribusiness sectors

- Training in Advanced Excel, Dynamics, and use of [GeoResGlobe](#)
- Reviewed Performance and Professional Development Agreements.

Workplace wellness was further supported through:

- Annual incident response training (First Aid)
- A Business Continuity Plan to ensure appropriate arrangements are in place to continue operations as much as possible in response to the COVID-19 restrictions, including regular team catch-ups
- A revised Workplace Health and Safety policy and management plan to ensure health, safety and wellbeing of all staff, and compliance with legislative responsibilities
- Continued implementation of a safe travel policy and electronic check-in procedure for staff driving long distances
- Leased ANCAP-rated Fleet vehicles equipped with safety features for regional staff.

# Future priorities

The Commission's specific key priorities for FY21 service delivery include:

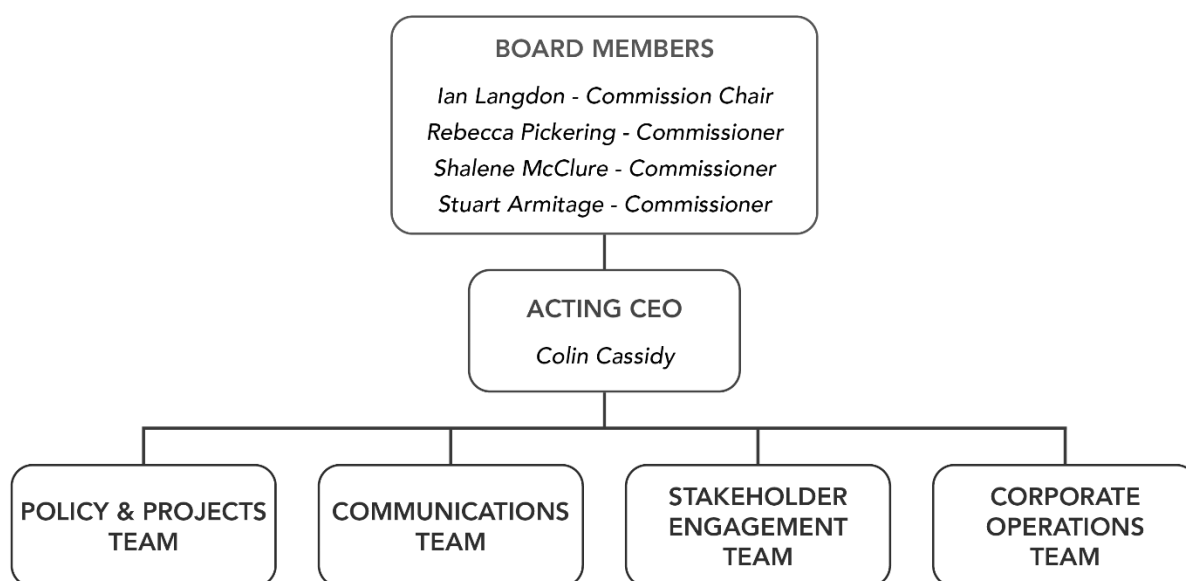
- Finalising and commencing the implementation of a program to fulfill the Commission's function to review the effectiveness of government entities in implementing regulatory frameworks that relate to the petroleum and gas industry
- Continuing to support landholders and regional communities within areas of the 'Surat Gas Project' activities
- Redevelopment of the Commission's website to better meet stakeholder (especially landholder) needs
- Release of The Gas Guide 2.0 as a comprehensive guide (especially for landholders) to the onshore gas industry's activities
- Release of an abridged updated industry snapshot (Shared Landscapes), currently being prepared and expected to be released during FY21
- Continuing to strengthen a comprehensive and integrated stakeholder engagement and communications strategy which will further clarify the Commission's role and functions in context with other entities such as DNRME, DES, LCQ, OLAO and OGIA
- Hosting Community Leaders Councils to discuss and address strategic issues related to the onshore gas industry
- Developing a CCA standard template
- Reviewing the assessment process under the RPI Act
- Continuing efforts in resolving the public liability insurance issue relating to private properties that contain gas activity and infrastructure
- Evaluating the adequacy of remedy for property owners neighbouring CSG activities, working together with DNRME, DES and key stakeholders
- Updating, supplementing and continuously improving information and education sources and delivery platforms to ensure they remain relevant, are 'fit for purpose' and meet stakeholder needs
- Finalising and implementing a coordinated data sharing framework for sharing information relating to the onshore gas industry to better facilitate the exchange of information between the entities
- Collaborating with DNRME and DES to improve community and stakeholder access to data that is collected through regulatory activities. This contributes to trust and confidence amongst stakeholders that the onshore gas industry is being effectively regulated
- Complete the Commission's Risk Management Maturity Project.

# Our people

The Commission employed ten (10) staff members as of 30 June 2020, equivalent to 9.8 full-time equivalents (FTE).

The Chief Executive Officer is appointed on an individual employment agreement as required under the [Gasfields Commission Act 2013](#). Other staff members are employed under the [Public Service Act 2008](#).

## Organisational structure



## The Commission Board

A new Commission Board (the Board) was appointed on 1 December 2019 for a three-year period. The Board is responsible for setting the Commission's strategic direction, establishing strategic objectives for management, and monitoring the achievement of these objectives. Commission staff are responsible for the implementation of these strategic objectives.

### Ian Langdon – Chair

GFCQ Chair Ian Langdon has extensive board experience as chair, audit committee chair and director of a wide range of companies and government organisations.

Mr Langdon is also chair of Gold Coast Health with responsibility for two major hospitals, a number of community-based services, and chair of Autism Qld.

His previous roles include:

- Chair of the Peanut Company of Australia until its sale in January 2018 to Bega Cheese
- Chair of the Dairy Farmers Group, a farmer owned co-operative that operated processing plants throughout South Australia, Victoria, New South Wales and Queensland until its sale to the Lion Nathan Group
- Member of the Boards of Rabo Bank, Pivot Fertilizers and Delta Electricity
- Associate Professor and Dean of Business at Griffith University (Gold Coast Campus).

### **Rebecca Pickering – Commissioner**

Ms Pickering has extensive experience in the energy and infrastructure industries having held senior executive roles at Energex, Origin Energy and Australian Rail Track Corporation. Her career spans policy and regulation, strategy and portfolio management, stakeholder relations, operations, safety leadership and reputation management.

During 12 years at Origin Energy, Ms Pickering worked on the regulatory framework for the CSG industry, led community engagement, secured the environmental approvals and land access for the first 1000 wells of the Australia Pacific LNG project, and ran gas field operations.

Ms Pickering has a strong interest in sustainability and the growth of regional communities.

### **Stuart Armitage – Commissioner**

Mr Armitage is an active member of Cotton Australia, Central Downs Irrigators Limited, the Darling Downs Cotton Growers Inc, AgForce Queensland, and is the former president of the Queensland Farmers' Federation.

Mr Armitage has been involved with farming all his life. He grew up on a dairy farm near Oakey and for the past 40 years has been farming at Cecil Plains on the family operation with his wife Maxine. For the past 21 years they have grown mainly cotton on their 570-hectare flood-irrigated farm with grain as an opportunity and rotation crop.

### **Shalene McClure – Commissioner**

Ms McClure is a petroleum geologist with more than 25 years of oil and gas industry experience and has broad and intimate knowledge of the coal seam and unconventional gas sectors of Queensland.

Ms McClure was involved in all phases of the Queensland gas industry including drilling, seismic exploration, appraisal, technical evaluations, field development and operation of assets. She is also a past Federal President of the Petroleum Exploration Society of Australia (PESA).

### **Colin Cassidy – Acting Chief Executive Officer**

Mr Cassidy has almost 40 years of senior leadership experience in a diverse range of roles at state and local government who successfully led the development and delivery of complex and sensitive economic, social and environmental legislative and policy projects, programs and initiatives, and structural and cultural change reforms.

Mr Cassidy was appointed the Acting CEO of the Commission on 11 November 2019.



## Board Meeting Attendance

For the period 1 July 2019 to 30 June 2020, the board met on 6 occasions with attendance by Commissioners as follows:

<b>Member</b>	<b>Position</b>	<b>Meetings attended</b>
<i>Current Board (5 December 2019 – 30 June 2020)</i>		
Ian Langdon	<i>Chair</i>	3
Rebecca Pickering	<i>Member</i>	2
Shalene McClure	<i>Member</i>	3
Stuart Armitage	<i>Member</i>	3
<i>Previous Board (1 July 2019 – 30 November 2020)</i>		
Ian Langdon	Chair	3
Fleur Anderson	Member	3
Ian Hayllor	Member	3
Rick Wilkinson	Member	3
<b>Total Board Meetings for 2019-20</b>		<b>6</b>

## Our values

- **Integrity**

We observe the highest ethical standards to build open, honest and trusted relationships, and we provide evidence-based and objective advice to demonstrate impartiality and transparency.
- **Accountability**

We are committed to our purpose, vision and strategic objectives, and we operate professionally in accordance with the Public Service values. We take personal responsibility for our actions and behaviours. We are empowered to show initiative and deliver high quality, timely and value-adding outcomes. We seek opportunities for continued personal and professional development.
- **Collaboration**

We work as a team to support each other and benefit from differing ideas, capabilities and perspectives. We consult and engage with our stakeholders to share information and points of view.
- **Respect**

We promote a diverse, healthy and safe workplace. We enable and support all staff to perform at their best and to reach their potential. We actively listen to each other and foster strong stakeholder relationships by seeking to understand different views and contributions.
- **Adding value**

We strive for excellence by being open and receptive to receiving feedback. We strive to find solutions to existing and emerging issues that meet stakeholders' needs. We embrace change and innovation, and we invest in the development of our workforce.

## Equal employment opportunities

The Commission supports the principles underlying equal employment opportunities and works to ensure that its work environment adheres to the principles of anti-discrimination, and the prevention of sexual harassment and bullying.

## Ethical procedures, values and practices

The Commission's policies, procedures and practices align with the ethical principles established under the [Public Sector Ethics Act 1994](#) (integrity and impartiality, promoting the public good, and commitment to the system of government accountability and transparency).

The Commission has adopted the Code of Conduct for the Queensland Public Service as it applies to the Chief Executive Officer (appointed under the Act) and other officers of the Commission (appointed under the [Public Service Act 2008](#)).

All staff receive appropriate education and training about public sector ethics on an annual basis.

Commissioners' contracts also include the requirement to abide by the Code and to disclose any potential or actual conflicts of interest. In addition, the Australian Institute of Company Directors Code of Conduct has been adopted for Commissioners.

## Human Rights

During FY20 all staff assisted the development of a better understanding of the Commission's human rights obligations and how to take them into account during our everyday work.

The Commission seeks to act and make decisions in a way that is consistent with human rights, and gives proper consideration to relevant human rights ([section 58\(1\)](#) of the [Human Rights Act 2019](#)) when making decisions, including administrative decisions, policy decisions, human resourcing decisions and corporate services decisions.

There were no human rights complaints received by the Commission during FY20.

## Strategic workforce planning and performance

As of 30 June 2020, the Commission's workforce constituted 9.8 full time equivalent staff. The separation rate for permanent employees was 20.4%.

The Commission's staffing levels are based on the Commission's establishment, Operational Plan and annual budget.

Candidates for permanent employment undergo merit-based selection.

The Commission engages contractors periodically for specialised advice and services when required.

## Employee performance management and development

All staff undergo a corporate induction program on appointment and subsequent annual training that includes orientation to the Commission's roles and functions, policies and procedures, and IT and records management systems.

Each year, staff member satisfaction levels are surveyed, and performance evaluated and monitored through team development sessions, monthly Operational Plan sessions, performance

evaluation discussions, learning plans and key performance indicators (which include the identification of professional development opportunities).

The Commission is committed to maintaining an environment of continued professional development and learning, which focuses on skills development, career enhancement and supporting a culture of learning.

## **Responding to COVID-19**

Since the outbreak of COVID-19, the Commission has made the necessary changes needed to ensure that all processes, procedures, plans and engagement activities comply with Queensland's Chief Health Officer directions, Workplace Health and Safety Queensland guidelines and the National COVID-19 Safe Workplace Principles.

Commission staff were supported to work remotely since April 2020.

## **Flexible work arrangements and healthy work/life balance**

In order to attract and retain an inclusive, diverse and capable workforce, the Commission enables staff (where appropriate) to negotiate:

- part-time work
- flexible working hours
- working from home and telecommuting arrangements.

The Commission supports a healthy work/life balance and, to that end, encourages staff to take recreation leave on a regular basis. An employee assistance program is available to support managers, employees and their families with confidential counselling in relation to workplace and personal issues.

## **Industrial and employee relations framework**

An employee consultation model is in place for the review and implementation of the Commission's policies and procedures.

In addition, staff members receive training when new and/or revised policies are adopted.

The Chief Executive Officer manages any workplace complaints, investigations and WorkCover claims that may arise. Investigations may be outsourced where specialist knowledge or skills are required, or where there may be a perceived conflict of interest.

We engage the Corporate Administration Agency (CAA), under a Service Level Agreement, to support the Commission in these activities.

## **Early retirement, redundancy and retrenchment**

No redundancy, early retirement or retrenchment packages were paid during FY20.

# Governance – risk management and accountability

## Audit and Risk Management Committee

The Commission Board re-established the Audit and Risk Management Committee (the Committee) in October 2019. The role of the Committee is to provide assurance and assistance to the Commission Board by demonstrating due diligence and care to:

- review the organisations reporting functions to ensure the integrity of the financial report
- ensure all internal control and risk management functions are operating effectively and reliably
- provide strong and effective oversight of the organisation’s internal and external audit functions.

The Committee is comprised of the Board Chairperson and three Commissioners, with the Chief Executive Officer, Corporate Operations Manager and a member of the Queensland Audit Office all attending meetings as observers. This ensures appropriate separation between the Committee (as the body responsible for oversight and monitoring corporate governance within the Commission), and the managers responsible for the administration of the Commission. An external Committee member is scheduled to be added during FY21.

The Committee focuses on developing the frameworks and procedures for effectively managing business risk and provides advice on the control mechanisms to mitigate the identified risks, protect the Commission’s employees, reputation and assets, and promote efficient and effective work practices.

The Committee has the authority to:

- conduct or authorise investigations into matters within its scope of responsibility
- access information, records and personnel of the Commission for such purpose
- request the attendance of any employee, including executive staff, at Committee meetings
- conduct meetings with the Commission’s internal and external auditors (as necessary)
- seek advice from external parties (as necessary).

The Committee observes the terms of its charter and has due regard to the Audit Committee’s guidelines.

## Audit and Risk Management Committee meeting attendance

During FY20 the Committee met on 5 occasions with the following attendance:

<b>Member</b>	<b>Position</b>	<b>Meetings attended</b>
<i>Current Board (5 December 2019 – 30 June 2020)</i>		
Ian Langdon	<i>Chair</i>	2
Rebecca Pickering	<i>Member</i>	1
Shalene McClure	<i>Member</i>	2
Stuart Armitage	<i>Member</i>	2
<i>Previous Board (1 July 2019 – 30 November 2020)</i>		
Ian Langdon	Chair	3
Fleur Anderson	Member	3
Ian Hayllor	Member	3
Rick Wilkinson	Member	3
<b>Total ARMC Meetings for 2019-20</b>		<b>5</b>

## Risk management system

In accordance with the *Financial Accountability Act 2009*, the Commission is required to establish and maintain appropriate systems of internal control and risk management.

In February 2020, the Board endorsed the Commission's Risk Maturity Project Plan to:

- improve consistency across all elements of the Commission's risk management framework and alignment with the Commission's legislative functions
- advance the Commission's risk maturity level from level 1 (basic) to level 2 (developing) in accordance with the QAO's risk management maturity model once the activities and deliverables in this project plan have been implemented.

The Commission's risk management framework includes the following:

- Risk Appetite Statement
- Risk Management Communication Strategy
- Risk Analysis Matrix
- Strategic and Operational Risk Register
- Risk Management Policy and Procedure
- Audit and Risk Management Committee meetings
- policies and procedures
- business continuity planning
- annual external and internal auditing of financial operations
- training for staff in risk, procurement, incident response and fraud prevention.

The Commission is committed to developing its risk maturity in line with the QAO's risk management maturity model.

## Procurement policy and procedure

The Commission is committed to advancing the principles of the Queensland Procurement Policy (QPP) 2019. The Commission ensures that its procurement activities are conducted in accordance with the QPP principles applicable to statutory bodies:

1. Putting Queenslanders first when securing value for money (primary principle)
2. Advancement of economic, environmental and social objectives
3. Integrity, probity and accountability
4. Leaders in procurement practice
5. Working together to achieve outcomes
6. Governance and planning.

This policy applies to all procurement activities, including the engagement of consultants and contractors and the purchase of significant plant and equipment.

All officers of the Commission are required to adhere to the Commission's policies on conflicts of interest and disclosure of related parties when undertaking procurement activities.

A person with a conflict of interest in relation to the procurement process, including a related party, will be removed from all aspects of the procurement process, including the decision-making and approval of contracts. Any conflicts of interest will be documented in the contract by the officer and the supplier.

The Commission has complied with procurement policies and practices during FY20.

## Internal audit

As a small statutory body, the Commission does not have the capacity to implement an internal audit function, however, the Commission proactively manages its responsibilities under the [Financial Accountability Act 2009](#).

In FY20, the Commission implemented the following:

- established an Audit and Risk Management Committee to provide assurance and assistance to the Commission Board on its risk, control and compliance framework and its external accountability requirements
- engaged an external contractor to perform an internal audit to assess and report on the efficacy of internal controls and compliance with contemporary financial and governance management policies and procedures.

The Commission continually develops its internal audit function capabilities and framework.

## External review

The QAO conducted a performance audit of DNRME, DES and the Commission to determine how well DNRME and DES are fulfilling their regulatory roles and how well the Commission is delivering on the government's sustainable coexistence policy in relation to the management of Queensland's CSG industry.

The QAO tabled its [report](#) in Parliament on 18 February 2020.

The QAO report made a number of findings and recommendations. The Commission accepted all five recommendations assigned to it and is implementing all of them.

The Commission manages information and records governance systems in accordance with the [Public Records Act 2002](#), the [Queensland Government Enterprise Architecture](#) (QGEA) policies and principles, and other key information standards and guidelines.

The Commission continues to make improvements to these systems, including:

- implementation of an Information Security Management System (ISMS) Committee to manage risk, improve security posture, and transition to an ISMS framework that aligns with current international standards
- continued development of the Commission's SRM which enables staff, including regional engagement officers, to capture their records remotely and effectively analyse data
- continued development of the Commission's records management system (SharePoint) to enhance information security, performance and information accessibility
- continued development and implementation of the records governance policy requirements, to advance the Commission's recordkeeping maturity.

As part of the induction process, all staff are trained in the making and keeping of public records. Public records are managed through a whole-of-organisation record-keeping program and are principally held in digital format on a cloud-based system.

There were no breaches of information security during FY20.

# Financial Summary

Detailed financial statements are included in a later section of this report. The Commission is totally reliant on annual grant funding from the Queensland State Government, with modest additional revenues generated from interest on cash balances.

Expenditure totalled \$2.779 million, with the major items of expenditure being employee expenses (\$1.605 million) and supplies and services including travel to support regional engagement activities, contractor services, and corporate service level agreements (\$1.105 million).

The Commission received an unmodified audit report from the Auditor General confirming the Commission's financial statements are a true and accurate reflection of the Commission's transactions from FY20.

## Comparison of budget and actual results

In 2019-20, the Commission's revenue exceeded expenses, resulting in an operating surplus of \$0.333 million. The table below compares budget and actual results.

The financial surplus was a result of changes in establishment, a new strategic plan, and decreased field operations due to the COVID-19 pandemic.

The Commission regularly monitors its financial position and remains confident that it has the financial capacity to deliver on its strategic objectives and manage coexistence issues as they arise.

	2019-20 Actual \$'000	2019-20 Budget \$'000	Variance \$'000
State Government Grant	2,526	2,520	6
Other Revenue	22	28	(6)
Draw down from cash reserves	0	564	(564)
Operating Result from Continued Operations	231	0	231
<b>Total Revenue</b>	<b>2,779</b>	<b>3,112</b>	<b>(333)</b>
Employee Expenses	1,605	1,631	26
Supplies and Services	1,105	1,481	376
Other Expenses	69	0	(69)
<b>Total Expenditure</b>	<b>2,779</b>	<b>3,112</b>	<b>333</b>
<i>State Government Grant/Total</i>			90.90%
<i>Employee Expenses/Total Expenditure</i>			57.75%





# **GasFields Commission Queensland Financial Statements**

**for the year ended 30 June 2020**

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# GasFields Commission Queensland

## Financial Statements 2019-20

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### **General Information**

These financial statements cover the GasFields Commission Queensland. It has no controlled entities.

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

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

Level 15, 53 Albert Street

BRISBANE QLD 4000

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

For information in relation to the Commission's financial statements email [enquiries@gfcq.org.au](mailto:enquiries@gfcq.org.au) or visit the Commission's website <https://www.gfcq.org.au/>.

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

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# GasFields Commission Queensland

## Statement of Comprehensive Income for the year ended 30 June 2020

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	Notes	2020 \$'000	2019 \$'000
<b>OPERATING RESULT</b>			
<b>Income from Continuing Operations</b>			
Grants and other contributions	2	2,526	2,900
Interest		22	43
<b>Gains</b>			
Gains on sale of plant and equipment		-	19
<b>Total Income from Continuing Operations</b>		<b>2,548</b>	<b>2,962</b>
<b>Expenses from Continuing Operations</b>			
Employee expenses	3	1,605	1,601
Supplies and services	6	1,105	1,235
Depreciation		7	2
Other expenses		62	38
<b>Total Expenses from Continuing Operations</b>		<b>2,779</b>	<b>2,876</b>
<b>Operating Result from Continuing Operations</b>		<b>(231)</b>	<b>86</b>
<b>Total Comprehensive Income</b>		<b>(231)</b>	<b>86</b>

*The accompanying notes form part of these statements.*

# GasFields Commission Queensland

## Statement of Financial Position as at 30 June 2020

	Notes	2020 \$'000	2019 \$'000
<b>Current Assets</b>			
Cash and cash equivalents	7	420	760
Other current assets		70	25
Receivables		11	29
<b>Total Current Assets</b>		501	814
<b>Non Current Assets</b>			
Plant and equipment	8	23	14
<b>Total Non Current Assets</b>		23	14
<b>Total Assets</b>		524	828
<b>Current Liabilities</b>			
Payables	9	76	104
Accrued employee benefits	10	115	160
<b>Total Current Liabilities</b>		191	264
<b>Total Liabilities</b>		191	264
<b>Net Assets</b>		333	564
<b>Equity</b>			
Accumulated surplus		333	564
<b>Total Equity</b>		333	564

*The accompanying notes form part of these statements.*

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## **GasFields Commission Queensland**

### **Statement of Changes in Equity for the year ended 30 June 2020**

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	<b>Accumulated Surplus \$'000</b>
<b>Balance as at 1 July 2018</b>	478
Operating Result from Continuing Operations	86
	<hr/>
<b>Balance as at 30 June 2019</b>	564
	<hr/>
<b>Balance as at 1 July 2019</b>	564
Operating Result from Continuing Operations	(231)
	<hr/>
<b>Balance as at 30 June 2020</b>	333
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*The accompanying notes form part of these statements.*

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# GasFields Commission Queensland

## Statement of Cash Flows

for the year ended 30 June 2020

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	2020	2019
	\$'000	\$'000
<b>Cash flows from operating activities</b>		
<i>Inflows:</i>		
Service Appropriation Receipts	2,526	2,900
GST input tax credits from ATO	29	27
Other	22	43
<i>Outflows:</i>		
Employee expenses	(1,650)	(1,573)
Supplies and services	(1,133)	(1,210)
GST paid to suppliers	(11)	(29)
Other	(107)	(53)
<b>Net cash provided by (used in) operating activities</b>	(324)	105
<b>Cash flows from investing activities</b>		
<i>Inflows:</i>		
Sale of property, plant and equipment	-	41
<i>Outflows:</i>		
Payments for property, plant and equipment	(16)	-
<b>Net cash provided by (used in) investing activities</b>	(16)	41
<b>Cash flows from financing activities</b>		
<i>Outflows:</i>		
Lease payments	-	(32)
<b>Net cash provided by (used in) financing activities</b>	-	(32)
<b>Net increase (decrease) in cash and cash equivalents</b>	(340)	114
<b>Cash and cash equivalents at beginning of financial year</b>	760	646
<b>Cash and cash equivalents at end of financial year</b>	420	760

*The accompanying notes form part of these statements.*

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# ***GasFields Commission Queensland***

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2019-20**

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Note 1:	Basis of Financial Statement Preparation
Note 2:	Grants and Other Contributions
Note 3:	Employee Expenses
Note 4:	Key Management Personnel (KMP) Disclosures
Note 5:	Related Party Transactions
Note 6:	Supplies and Services
Note 7:	Cash and Cash Equivalents
Note 8:	Plant and equipment and depreciation expense
Note 9:	Payables
Note 10:	Accrued Employee Benefits
Note 11:	Commitments for Expenditure
Note 12:	Contingencies
Note 13:	Events occurring after Balance Date

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# GasFields Commission Queensland

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2019-20

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### 1. Basis of Financial Statement Preparation

#### Objectives and Principal Activities of the Commission

The GasFields Commission Queensland ("the Commission") is an independent statutory body established under the GasFields Commission Act 2013. The Commission's purpose is to manage and improve sustainable coexistence among landholders, regional communities and the onshore gas industry in Queensland.

The Commission is responsible for delivering the following legislative functions:

- facilitating better relationships between landholders, regional communities and the onshore gas industry;
- reviewing the effectiveness of government entities in implementing regulatory frameworks that relate to the onshore gas industry;
- advising Ministers and government entities about the ability of landholders, regional communities and the onshore gas industry to coexist within an identified area;
- in response to requests for advice from the chief executive under the *Regional Planning Interests Act 2014* about assessment applications under that Act, advising that chief executive about the ability of landholders, regional communities and the resources industry to coexist within the area the subject of the application;
- making recommendations to the relevant Minister that regulatory frameworks and legislation relating to the onshore gas industry be reviewed or amended;
- making recommendations to the relevant Minister and onshore gas industry about leading practice or management relating to the onshore gas industry;
- advising the Minister and government entities about matters relating to the onshore gas industry;
- obtaining particular information from government entities and prescribed entities;
- obtaining advice about the onshore gas industry or functions of the commission from government entities;
- supporting the provision, to the community and stakeholders, of information prepared by appropriate entities on health and wellbeing matters relating to the onshore gas industry or geographical areas in which the onshore gas industry operates;
- facilitating appropriate entities to undertake community engagement and participation in initiatives about assessing health and wellbeing concerns relating to onshore gas activities;
- publishing educational materials and other information about the onshore gas industry;
- partnering with other entities for the purpose of conducting research related to the onshore gas industry;
- convening advisory bodies to assist the commission to perform any function listed above.

#### (a) Compliance with Prescribed Requirements

GasFields Commission Queensland has prepared these financial statements in compliance with section 39 of the *Financial and Performance Management Standard 2019*. The financial statements comply with Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2019.

These financial statements are general purpose financial statements and have been prepared on an accrual basis in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations.

With respect to compliance with Australian Accounting Standards and Interpretations, the Commission has applied those requirements applicable to not-for-profit entities, as the Commission is a not-for-profit public sector entity. Except where stated, the historical cost convention is used.



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# GasFields Commission Queensland

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2019-20

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### 1. Basis of Financial Statement Preparation (cont'd)

#### (b) The Reporting Entity

The financial statements include the value of all income, expenses, assets, liabilities and equity of the Commission. The Commission does not have any controlled entities.

#### (c) Taxation

The Commission is a State body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). FBT and GST are the only taxes accounted for by the Commission. GST credits receivable from, and GST payable to the Australian Taxation Office, are recognised in the Statement of Financial Position.

#### (d) Authorisation of Financial Statements for Issue

The financial statements are authorised for issue by the Chair and CEO of the GasFields Commission Queensland at the date of signing the Management Certificate.

#### (e) Other Presentation Matters

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

Comparatives - Comparative information reflects the audited 2019-20 financial statements.

#### (f) Implementation of the Shared Services Initiative

The Corporate Administration Agency (CAA) provides the Commission with corporate services under the "Shared Services Provider" model. The fees and terms of the services are agreed through a Service Level Agreement, negotiated annually and include:

- Financial services
- Human resources, recruitment and payroll
- Information management services (Information technology).

#### (g) New and Revised Accounting Standards

The Commission did not voluntarily change any of its accounting policies during 2019-20.

##### First time mandatory application of Australian Accounting Standards and Interpretations

Two new accounting standards were applied for the first time in 2019-20:

- AASB 1058 *Income of Not-for-Profit Entities*
- AASB 16 *Leases*

##### AASB 1058 *Income of Not-for-Profit Entities*

AASB 1058 applies to the Commission's grants and contributions that are not contracts with customers, being all grants and donations disclosed in Note 2. Revenue for these grants continues to be recognised upfront on receipt of the funding, consistent with prior accounting treatment. Overall, there was no transitional impact from adopting AASB 1058.

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# **GasFields Commission Queensland**

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2019-20**

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### **1. Basis of Financial Statement Preparation (cont'd)**

#### *AASB 16 Leases*

AASB 16 requires all leases to be accounted for on balance sheet as right-of-use assets and lease liabilities, except for short-term leases and leases of low value assets.

During the 2018/19 financial year, the Commission held operating leases from the Department of Housing and Public Works (DHPW) for non-specialised, commercial office accommodation through the Queensland Government Accommodation Office (QGAO). Lease payments under these arrangements totalled \$192,575 p.a. The Commission has been advised by Queensland Treasury and DHPW that, effective 1 July 2019, amendments to the framework agreements that govern QGAO will result in the above arrangements being exempt from lease accounting under AASB 16. This is due to DHPW having substantive substitution rights over the non-specialised, commercial office accommodation and residential premises assets used within these arrangements. Costs for these services will continue to be expensed as supplies and services expense when incurred.

In addition to the above lease, the Commission holds a copier lease with Macquarie Equipment Rentals Pty Ltd. The Commission has evaluated the impact in relation to AASB 16 and assessed the impact is immaterial to the financial statements.

The Commission has also been advised by Queensland Treasury and DHPW that effective 1 July 2019, motor vehicles provided under DHPW's QFleet program will be exempt from lease accounting under AASB 16. This is due to DHPW holding substantive substitution rights for vehicles provided under the scheme. Costs for these services will continue to be expensed as supplies and services expense when incurred. Existing QFleet leases were not previously included as part of non-cancellable operating lease commitments.

# GasFields Commission Queensland

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2019-20

	2020 \$'000	2019 \$'000
<b>2. Grants and Other Contributions</b>		
Contributions from Government	2,526	2,900
<b>Total</b>	<b>2,526</b>	<b>2,900</b>

### Accounting Policy

Grants and contributions are non-reciprocal transactions where the Commission does not directly give approximately equal value to the grantor. As the grant does not contain sufficiently specific performance obligations, the grant is accounted for under AASB 1058 Income of Not-for-Profit Entities and revenue is recognised upon receipt of grant funding.

### 3. Employee Expenses

#### Employee Benefits

Wages and salaries *	1,271	1,136
Employer superannuation contributions	131	142
Annual leave expense	73	121
Long service leave levy	25	26

#### Employee Related Expenses

Payroll tax	63	65
Other employee related expenses	42	111

<b>Total</b>	<b>1,605</b>	<b>1,601</b>
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	2020	2019
Number of employees:	9.8	8.8

\* Wages and salaries includes \$8,500 of \$1,250 one-off, pro-rata payments for 6.8 full-time equivalent employees (announced in September 2019).

The number of employees as at 30 June 2020, including both full-time employees and part-time employees, is measured on a full-time equivalent basis.

### Accounting Policies

#### Short-term employee benefits - wages, salaries and sick leave

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

Prior history to date indicates that on average, sick leave taken in 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.

#### Long-term employee benefits - long service leave

Under the Queensland Government's Long Service Leave Scheme, a levy is made on the Commission to cover the cost of employees' long service leave. The levies are expensed in the period in which they are payable. Amounts paid to employees for long service leave are claimed from the scheme quarterly in arrears.

No provision for long service leave is recognised in the Commission's financial statements, the liability being 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*.

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

# GasFields Commission Queensland

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2019-20

### 3. Employee Expenses (cont'd)

#### Superannuation

Superannuation benefits are provided through defined contribution (accumulation) plans in accordance with employees' conditions of employment and employee instructions as to superannuation plan (where applicable).

Defined Contribution Plans – Employer contributions are based on rates specified under conditions of employment. The Commission's contributions are expensed when they become payable at each fortnightly pay period.

### 4. Key Management Personnel (KMP) Disclosures

#### Details of Key Management Personnel

The following details for key executive management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of the Commission during 2019-20. Further information on these positions can be found in the body of the Annual Report under the section relating to Executive Management.

Position	Position Responsibility
Chair	Responsible, in consultation with other Commission members, to develop the strategies, objectives, and policies of the Commission and to ensure the Commission functions in a proper, effective and efficient manner.
Commissioners	Responsible to develop the strategies, objectives and policies of the Commission and to ensure the Commission functions in a proper, effective and efficient manner.
Chief Executive Officer	Responsible for ensuring the Commission's function and objectives are fulfilled in accordance with the strategy, policies and programs approved by the Commission Board.

#### KMP Remuneration Policies

The remuneration policy of the Chair and Commissioners is set by the Governor in Council. The remuneration of the Chief Executive Officer is set by the Board.

Remuneration expenses for key management personnel comprises the following components:

Short term employee expenses which include:

- **Monetary expenses** - consisting of base salary, allowances and leave entitlements paid and provided for the entire year. For Part-time Commissioners, remuneration for approved out-of-session activity is also included; and
- **Non-monetary benefits** - consisting of provision of a motor 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 benefits include amounts expensed in respect of employer superannuation obligations.

Termination benefits are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payment in lieu of notice on termination, regardless of the reason for termination.

No performance bonuses were paid to any key management personnel.

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

# GasFields Commission Queensland

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2019-20

### 4. Key Management Personnel (KMP) Disclosures(cont'd)

#### Remuneration Expenses

1 July 2019 – 30 June 2020

Position	Short Term Employee Expenses		Long Term Employee Expenses	Post-Employment Expenses	Termination Benefits	Total Expenses
	Monetary Expenses \$'000	Non-Monetary Benefits \$'000	\$'000	\$'000	\$'000	\$'000
Chief Executive Officer (to 29 Nov 2019)	99	3	2	11	93	208
Chief Executive Officer (from 11 Nov 2019)	118	-	-	12	-	130
Chair	27	-	-	2	-	29
Commissioner (to 30 Nov 2019)	2	-	-	-	-	2
Commissioner (to 30 Nov 2019)	4	-	-	-	-	4
Commissioner (to 30 Nov 2019)	5	-	-	-	-	5
Commissioner (from 5 Dec 2019)	3	-	-	-	-	3
Commissioner (from 5 Dec 2019)	2	-	-	-	-	2
Commissioner (from 5 Dec 2019)	2	-	-	-	-	2
<b>Total Remuneration</b>	<b>262</b>	<b>3</b>	<b>2</b>	<b>25</b>	<b>93</b>	<b>385</b>

1 July 2018 – 30 June 2019

Position	Short Term Employee Expenses		Long Term Employee Expenses	Post-Employment Expenses	Termination Benefits	Total Expenses
	Monetary Expenses \$'000	Non-Monetary Benefits \$'000	\$'000	\$'000	\$'000	\$'000
Chief Executive Officer	243	8	5	26	-	282
Chair (to 1 May 2019)	12	-	-	1	-	13
Chair (from 10 June 2019)	2	-	-	-	-	2
Commissioner	5	-	-	-	-	5
Commissioner	7	-	-	1	-	8
Commissioner	6	-	-	1	-	7
<b>Total Remuneration</b>	<b>275</b>	<b>8</b>	<b>5</b>	<b>29</b>	<b>-</b>	<b>317</b>

# GasFields Commission Queensland

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2019-20

### 5. Related Party Transactions

#### Transactions with people/entities related to KMP

During the year, a close family member of one of the key management personnel team was contracted by the Commission for an amount of \$10,200 for the 2019-2020 year (2018-2019: \$112,612.41) to provide services relating to ICT including security technical advice, Information Security Management System development and database development.

### 6. Supplies and Services

	2020 \$'000	2019 \$'000
Contractors	469	531
Corporate service charges	351	354
Travel	69	100
Repairs and maintenance	79	61
Minor plant and equipment	1	9
Motor Vehicle	51	53
Stakeholder Engagement	5	5
Administration costs	19	27
Communications	13	16
Advertising and promotion	48	79
<b>Total</b>	<b>1,105</b>	<b>1,235</b>

### 7. Cash and Cash Equivalents

Cash at bank	420	760
<b>Total</b>	<b>420</b>	<b>760</b>

#### Accounting Policy

Cash and Cash Equivalents include all cash and cheques receipted at 30 June as well as deposits held at call with financial institutions.

### 8. Plant and equipment and depreciation expense

#### Plant and Equipment at cost:

Gross	32	17
Less: accumulated depreciation plant and equipment	(9)	(3)
<b>Carrying amount at 30 June</b>	<b>23</b>	<b>14</b>

*Represented by movements in carrying amount*

#### Plant and Equipment reconciliation

Carrying amount at 1 July	14	38
Acquisitions	15	10
Disposals	-	(32)
Depreciation for period	(7)	(2)
<b>Carrying amount at 30 June</b>	<b>23</b>	<b>14</b>

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# GasFields Commission Queensland

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2019-20

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### 8. Plant and equipment and depreciation expense(cont'd)

#### Accounting Policy - Recognition and Measurement

##### Asset Acquisition

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

##### Recognition of Property, Plant and Equipment

Items of 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 Plant and Equipment for the following class:

Plant and Equipment                      \$5,000

Expenditure on plant and equipment is capitalised where it is probable that the expenditure will produce future service potential for the statutory body. 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.

##### Measurement of Non-Current Physical Assets using Cost

Plant and equipment is measured at cost in accordance with Queensland Treasury's Non-Current Asset Policies. The carrying amounts for plant and equipment at cost approximate their fair value.

##### Depreciation

Plant and equipment is depreciated on a straight-line basis so as to allocate the net cost of each asset, less any estimated residual value, progressively over its estimated useful life to GasFields Commission Queensland.

Depreciation rates for each class of depreciable asset:

<b>Class</b>	<b>Rate</b>
Plant and equipment	20%

### 9. Payables

	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>
Trade and other creditors	23	50
Accruals	53	54
<b>Total</b>	<b>76</b>	<b>104</b>

#### Accounting Policy

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

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# GasFields Commission Queensland

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2019-20

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### 10. Accrued Employee Benefits

	2020	2019
	\$'000	\$'000
<i>Current</i>		
Provision for annual leave	103	122
Salary and wages payable	(1)	20
Accrued leave loading	7	9
Long service leave levy payable	5	6
Superannuation payable	1	3
<b>Total</b>	<b>115</b>	<b>160</b>

### 11. Commitments for Expenditure

Commitments at reporting date (inclusive of non-recoverable GST input tax credits) are payable as follows:

#### Non-cancellable operating leases (2019 only)

Not later than one year	192
Later than one year and not later than five years	324
<b>Total</b>	<b>516</b>

### 12. Contingencies

There are no legal or any other contingencies that are known to the Commission at 30 June 2020.

The Commission has not been subject to, and is not aware of any pending legal actions, litigations or any other court matters as of 30 June 2020.

### 13. Events Occurring after Balance Date

The Commission is not aware of any post balance date events.



**Management Certificate  
for GasFields Commission Queensland**

These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), section 39 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 complied with in all material respects;
- (b) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of GasFields Commission Queensland for the financial year ended 30 June 2020 and of the financial position of the Commission at the end of that year.

We acknowledge 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.



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**Ian Langdon**  
Chair  
GasFields Commission Queensland

Date: 26/08/2020



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**Colin Cassidy**  
CEO  
GasFields Commission Queensland

Date: 26/08/2020

## INDEPENDENT AUDITOR'S REPORT

To the Board of GasFields Commission Queensland

### Report on the audit of the financial report

#### Opinion

I have audited the accompanying financial report of GasFields Commission Queensland. In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 30 June 2020, 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 – Reduced Disclosure Requirements.

The financial report comprises the statement of financial position as at 30 June 2020, the statement of comprehensive income, statement of changes in equity and statement of cash flows 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 of Queensland 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 entity 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 of Queensland Auditing Standards*.

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

#### Responsibilities of the entity for the financial report

The Board 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 – Reduced Disclosure Requirements, and for such internal control as the Board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Board is also responsible for assessing the entity'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 entity 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 entity'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 entity.
- Conclude on the appropriateness of the entity'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 entity'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 entity 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 Board 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.

## Report on other legal and regulatory requirements

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2020:

- a) I received all the information and explanations I required.
- b) In my opinion, 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 entity's transactions and account balances to enable the preparation of a true and fair financial report.



Melissa Fletcher  
as delegate of the Auditor-General

27 August 2020

Queensland Audit Office  
Brisbane

# Glossary

<b>APPEA</b>	Australian Petroleum Production & Exploration Association
<b>CAA</b>	Corporate Administration Agency (CAA)
<b>CCA</b>	Conduct and Compensation Agreement
<b>CC BY</b>	Creative Commons Attribution 4.0 International licence
<b>CLC</b>	Community Leaders Council
<b>CSG</b>	Coal seam gas
<b>DES</b>	Department of Environment and Science
<b>DNRME</b>	Department of Natural Resources, Mines and Energy
<b>FTE</b>	Full-time equivalents
<b>FY20</b>	2020 financial year
<b>GFCQ</b>	GasFields Commission Queensland
<b>ISMS</b>	Information Security Management System
<b>LCQ</b>	Land Court of Queensland
<b>MGA</b>	Make Good Agreement
<b>OGIA</b>	Office of Groundwater Impact Assessment
<b>OLAO</b>	Office of the Land Access Ombudsman
<b>PAA</b>	Priority Agricultural Area
<b>PESA</b>	Petroleum Exploration Society of Australia
<b>PLA</b>	Priority Living Area
<b>QAO</b>	Queensland Audit Office
<b>QEP</b>	Queensland Exploration Program
<b>QGABAC</b>	Queensland Great Artesian Basin Advisory Council
<b>QGEA</b>	Queensland Government Enterprise Architecture
<b>QPP</b>	Queensland Procurement Policy
<b>RIDA</b>	Regional interest development
<b>RPI Act</b>	<i>Regional Planning Interests Act 2014</i>
<b>SAG</b>	Stakeholder Advisory Group
<b>SCA</b>	Strategic Cropping Area
<b>SRM</b>	GasFields Commission's Stakeholder Relationship Management System
<b>SSAG</b>	Surat Stakeholder Advisory Group
<b>The Act</b>	<i>Gasfields Commission Act 2013</i>
<b>The Board</b>	GasFields Commission Board
<b>The Committee</b>	GasFields Commission Audit and Risk Management Committee
<b>UWIR</b>	Underground Water Impact Report

# Compliance Checklist

Summary of requirement	Basis for requirement	Annual report page reference
Letter of compliance	<ul style="list-style-type: none"> <li>A letter of compliance from the accountable officer or statutory body to the relevant Minister/s</li> </ul>	ARRs – section 7 3
Accessibility	<ul style="list-style-type: none"> <li>Table of contents</li> <li>Glossary</li> <li>Public availability</li> </ul>	ARRs – section 9.1 ARRs – section 9.2 2
	<ul style="list-style-type: none"> <li>Interpreter service statement</li> </ul>	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3 2
	<ul style="list-style-type: none"> <li>Copyright notice</li> </ul>	<i>Copyright Act 1968</i> ARRs – section 9.4 2
	<ul style="list-style-type: none"> <li>Information Licensing</li> </ul>	<i>QGEA – Information Licensing</i> ARRs – section 9.5 2
	<ul style="list-style-type: none"> <li>Introductory Information</li> </ul>	ARRs – section 10.1 5
General information	<ul style="list-style-type: none"> <li>Machinery of Government changes</li> </ul>	ARRs – section 10.2, 31 and 32 N/A
	<ul style="list-style-type: none"> <li>Agency role and main functions</li> </ul>	ARRs – section 10.2 7
	<ul style="list-style-type: none"> <li>Operating environment</li> </ul>	ARRs – section 10.3 7, 8
Non-financial performance	<ul style="list-style-type: none"> <li>Government's objectives for the community</li> </ul>	ARRs – section 11.1 9
	<ul style="list-style-type: none"> <li>Other whole-of-government plans / specific initiatives</li> </ul>	ARRs – section 11.2 9
	<ul style="list-style-type: none"> <li>Agency objectives and performance indicators</li> </ul>	ARRs – section 11.3 10
	<ul style="list-style-type: none"> <li>Agency service areas and service standards</li> </ul>	ARRs – section 11.4 N/A
Financial performance	<ul style="list-style-type: none"> <li>Summary of financial performance</li> </ul>	ARRs – section 12.1 31
Governance – management and structure	<ul style="list-style-type: none"> <li>Organisational structure</li> </ul>	ARRs – section 13.1 23
	<ul style="list-style-type: none"> <li>Executive management</li> </ul>	ARRs – section 13.2 23
	<ul style="list-style-type: none"> <li>Government bodies (statutory bodies and other entities)</li> </ul>	ARRs – section 13.3 N/A
	<ul style="list-style-type: none"> <li>Public Sector Ethics</li> </ul>	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4 25
	<ul style="list-style-type: none"> <li>Human Rights</li> </ul>	<i>Human Rights Act 2019</i> ARRs – section 13.5 25
	<ul style="list-style-type: none"> <li>Queensland Public Service values</li> </ul>	ARRs – section 13.6 24
Governance – risk management and accountability	<ul style="list-style-type: none"> <li>Risk management</li> </ul>	ARRs – section 14.1 28
	<ul style="list-style-type: none"> <li>Audit committee</li> </ul>	ARRs – section 14.2 27
	<ul style="list-style-type: none"> <li>Internal audit</li> </ul>	ARRs – section 14.3 29
	<ul style="list-style-type: none"> <li>External scrutiny</li> </ul>	ARRs – section 14.4 29
	<ul style="list-style-type: none"> <li>Information systems and recordkeeping</li> </ul>	ARRs – section 14.5 30
Governance – human resources	<ul style="list-style-type: none"> <li>Strategic workforce planning and performance</li> </ul>	ARRs – section 15.1 25
	<ul style="list-style-type: none"> <li>Early retirement, redundancy and retrenchment</li> </ul>	Directive No.04/18 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2 26
Open Data	<ul style="list-style-type: none"> <li>Statement advising publication of information</li> </ul>	ARRs – section 16 2
	<ul style="list-style-type: none"> <li>Consultancies</li> </ul>	ARRs – section 33.1 <a href="https://data.qld.gov.au">https://data.qld.gov.au</a>
	<ul style="list-style-type: none"> <li>Overseas travel</li> </ul>	ARRs – section 33.2 <a href="https://data.qld.gov.au">https://data.qld.gov.au</a>
	<ul style="list-style-type: none"> <li>Queensland Language Services Policy</li> </ul>	ARRs – section 33.3 <a href="https://data.qld.gov.au">https://data.qld.gov.au</a>
Financial statements	<ul style="list-style-type: none"> <li>Certification of financial statements</li> </ul>	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1 48
	<ul style="list-style-type: none"> <li>Independent Auditor's Report</li> </ul>	FAA – section 62 FPMS – section 46 ARRs – section 17.2 49

FAA *Financial Accountability Act 2009*  
 FPMS *Financial and Performance Management Standard 2019*  
 ARRAs *Annual report requirements for Queensland Government agencies*