



GasFields Commission Queensland

Annual Report 2017 – 2018

About this Report

This annual report reviews the activities and achievements of the GasFields Commission Queensland for the 2017-2018 financial year against the strategic objectives and measures of success listed in the Commission's Strategic Plan 2017-2021. It 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 the *Financial and Performance Management Standard 2009*.

Public availability and further information

This report, the strategic plan and other publications by the GasFields Commission Queensland are available from <https://www.gasfieldscommissionqld.org.au>. To obtain a printed copy of this report, please contact the Commission on +61 7 3067 9400 or via the address below.

Additional reporting requirements are published online, available at <https://www.gasfieldscommissionqld.org.au>.

Interpreter service



The GasFields Commission Queensland is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty understanding the annual report, you can contact the GasFields Commission Queensland on +61 7 3067 9400 or email us at enquiries@gfcq.org.au and we will arrange an interpreter to effectively communicate the report to you.

Have your say

The Commission hopes you find the GasFields Commission Queensland Annual Report 2017-2018 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 rural landholders, regional communities and the 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.

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September 2018

The Honourable Cameron Dick
Minister for State Development, Manufacturing, Infrastructure and Planning
PO Box 15009
CITY EAST QLD 4002

Dear Minister

I am pleased to present the Annual Report 2017 – 2018 and financial statements for the GasFields Commission Queensland.

I certify that this annual report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, and
- the 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 45 of this annual report.

Yours sincerely

A handwritten signature in dark ink, appearing to read "Ruth Wade", written in a cursive style.

Ruth Wade
Chair
GasFields Commission Queensland

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Message from the Chair



After a difficult transition in 2016-17, the GasFields Commission is now fully staffed, fully equipped and breaking new ground in the gas fields.

We have a full complement of well qualified staff, including regional engagement officers based in Roma and Dalby, and the whole team has been equipped to be fully mobile and highly responsive.

Our engagement team has held and presented important information at 329 different events in 2017-18 including workshops, forums, shed meetings, pop-up offices and tours.

We have collaborated with the Land Court of Queensland and the Department of Natural Resources, Mines and Energy to run a series of forums on alternative dispute resolution options and tackled issues with biosecurity and the Regional Planning Interests Act.

Our policy and research team has collated information from around 30 different data sources, fact checked and analysed the details, and produced Queensland's Petroleum and Gas Industry Snapshot to provide Queenslanders with an accurate picture of the industry.

Our communications team continues to innovate and publish important and accurate information to a broad audience through our electronic network and traditional media.

Exact readership figures are difficult to quantify accurately but our internal reporting shows that our communications material reached a potential audience of more than 9 million people over past year.

The Commission is committed to providing factual information to all industry stakeholders to help build trust and create respectful business-to-business relationships.

Trust and respect are key to building safe, caring and connected communities.

By connecting stakeholders through genuine engagement and clear communication we believe we are helping to build stronger and more viable regions.

The Commission has worked closely with other government agencies over the year, most notably the Department of Natural Resources, Mines and Energy, Office of Groundwater Impact Assessment, Department of Environment and Science, and Department of Agriculture and Fisheries, to clarify legislation for stakeholders, encourage involvement in groundwater monitoring schemes, biosecurity and promote a whole of government approach to resolving issues.

The gas industry continues to be a major driver in the creation of jobs and diverse regional economies.

The most recent results from the University of Queensland Centre for Coal Seam Gas show that net business incomes for non-primary production in the Surat Basin centres of Roma, Chinchilla and Dalby have fallen back slightly from a peak in 2013 but remain three to four times higher than they were before gas development in the area.

Average personal incomes for those centres have been fairly stable since 2013 and remain approximately 40 per cent higher than they were in 2008 before gas development reached a peak.

Agriculture continues to be a key economic driver in regional centres and local business is reporting to us that the combination of agricultural and gas industries is helping to stabilise local economies and keep them strong.

The GasFields Commission makes a point of engaging with everyone involved directly or indirectly with the gas industry – contractors, local government, regional businesses, employment agencies – not just landholders and gas industry.

It is that engagement that is giving us the clearest picture yet of what is going on in gas country and giving us and the government the tools we need to to manage and improve sustainable coexistence in the gas field communities.

Regards

A handwritten signature in dark ink, appearing to read 'Ruth Wade', with a stylized, cursive script.

Ruth Wade

About the GasFields Commission Queensland

The GasFields Commission Queensland (the Commission) is an independent statutory body established under the *Gasfields Commission Act 2013* (the Act) to manage and improve sustainable coexistence among rural landholders, regional communities and the onshore gas industry.

Our vision

Informed and self-reliant communities, based on respectful and balanced relationships between landholders, communities and the onshore gas industry in Queensland.

Our strategic objectives

- 1. Effective stakeholder engagement**
Engage effectively with stakeholders in the context of the Commission's clearly defined role
- 2. Collecting data and information, and making it accessible**
Collect current and relevant data and information, and provide a platform by which it is readily accessible by stakeholders
- 3. Value-added strategic analysis**
Value-add at a strategic level through the analysis of data and information to better inform stakeholders
- 4. Regulatory, legislative and policy input**
Consistent with the Commission's statutory functions, provide government with informed and objective input on regulatory, legislative, policy and other issues
- 5. Organisational alignment and culture**
Deliver our strategic plan through an aligned organisational and governance structure, and skilled people with a performance-based culture

Our functions

The Commission's functions, as prescribed in the Act, include:

- facilitating better relationships between landholders, regional communities and the onshore gas industry
- reviewing the effectiveness of government entities in implementing regulatory frameworks
- publishing educational materials and other information
- convening education forums to assist with the resolution of issues
- making recommendations to government and industry

Services we provide

We provide the following services in order to perform the functions prescribed under the Act:

- engage with regional communities to help them adapt to the introduction of gas development
- provide tools to enable informed decision-making
- inform on best practice business-to-business relationships between landholders and resource companies
- recommend improved industry practice by all involved
- respond as the first point of contact for anything to do with gas in Queensland
- compile and distribute information, data and facts about the gas industry
- provide contact details to assist in finding more help if needed

Location of services

All employees are equipped to be mobile and actively travel across Queensland's gas field communities to deliver required services.

The GasFields Commission's principal office location is in Brisbane, with staff also regionally based in Toowoomba, Dalby and Roma.

Key strategic risks and opportunities

The GasFields Commission remains aware of key risks, however is not risk-adverse. Key strategic risks and opportunities are identified below.

Risks	Opportunities
Role clarity and delivery	Clearly communicating the Commission's role to assist in managing expectations as to what the Commission does and does not do. Ensuring that the Commission is well recognised in its defined role.
Independence	Maintaining actual and perceived independence from any individual stakeholder group including government and its various agencies.
Reputation	Developing and maintaining respect and integrity as a trusted and vital reference source.
Stakeholders	Establishing partnerships and managing stakeholder expectations with clarity, consistent delivery and timely response.

Our performance

The GasFields Commission has three operational teams in place to deliver against our strategic objectives – Engagement, Communications and Policy and Research.

Key performance outcomes for 2017-18 are outlined below.

Engagement

The engagement team is the ‘eyes and ears’ of the Commission.

In the 2017-18 financial year, the GasFields Commission took part in around 330 engagement events and reached over 3,300 stakeholders.

This activity meets strategic objectives 1 and 2 (refer page 6).

Major initiatives of the engagement team for 2017-18 include:

Alternative dispute resolution information sessions

Throughout the 2017-18 financial year, the Commission has been working closely with the Land Court of Queensland and the Department of Natural Resources, Mines and Energy (DNRME) to address knowledge gaps and the perceived loss of control that some parties experience in a negotiation process.

In conjunction with the Land Court and DNRME, the Commission hosted a series of information sessions in strategically selected communities throughout Queensland’s gas fields to inform landholders and industry about options for alternative dispute resolution that are available to all parties.

These information sessions have also provided some clarity about the Land Court process and provided the unique opportunity for attendees to meet a Member of the Land Court in person and discuss the various services they provide.

The information sessions were presented by the Commission as informal gatherings with guest speakers from DNRME and the Land Court in identified locations where stakeholders were currently active in negotiations.

From October 2017 to June 2018, the Commission held 14 alternative dispute resolution information sessions in the following locations:

- Yuleba
- Arcadia Valley
- Roma
- Wallumbilla
- Miles
- Wandoan
- Chinchilla
- Dalby
- Cecil Plains
- Brisbane

Overall, these information sessions have engaged more than 270 stakeholders including landholders, industry, professional service providers and the wider gas field community with more sessions being planned for the 2018-19 year.

Pop-up offices

A key focus of the Commission's engagement team is to make staff available to landholders, community and industry in the regions.

To increase our engagement reach and accessibility throughout Queensland, the engagement team commenced a 'pop-up office' initiative in selected locations across regional Queensland.

A variety of partnerships were identified and developed to help facilitate the pop-up offices on a regular basis to help answer questions, queries, identify 'hot topics' and provide support to regional stakeholders.

Locations were identified based on areas where negotiations were occurring, issues were identified or new exploration tenures were released.

In the 2017-18 reporting year, 13 pop-up offices were held in the following locations and resulted in direct engagement with more than 54 stakeholders:

- Roma
- Wallumbilla
- Miles
- Wandoan
- Injune
- Surat
- Moura
- Rolleston

Hot topics

Through its regular work activities, the Commission's engagement team identifies 'hot topics' among stakeholders by capturing common questions and misunderstandings that can lead to confusion or information gaps.

The Commission is committed to addressing these identified topics with the aim to better inform stakeholders and fill the information gaps.

In the 2017-18 reporting period, the two main topics identified through our engagement work were biosecurity and the Regional Planning Interests (RPI) Act.

Through the Commission's engagement activities, these hot topics were both identified among concerned landholders and the wider community around the Dalby and Cecil Plains areas.

Biosecurity

During the reporting period, the Commission worked with various key organisations to develop fit for purpose information material to cover major biosecurity principles for both landholder and resource companies.

This work aims to increase stakeholder knowledge on how to reduce biosecurity risks and promote best practice in relation to farm activity, production, vehicle movement and risk assessment.

Key organisations that were consulted include the Department of Agriculture and Fisheries, AgForce Queensland and the Livestock Biosecurity Network.

Initial information material was developed in the form of a [Biosecurity Checklist](#) which was circulated via the Commission's online channels and presented during a landholder information session in Kogan in March 2018, which 15 landholders attended.

The Commission plans to continue this collaborative work into the next reporting period with the development of some further material to complement more stakeholder engagement on the topic.

RPI Act

To address questions around the RPI Act, clear information was provided in conjunction with the Department of State Development, Manufacturing, Infrastructure and Planning (DSDMIP).

The Commission hosted an information session in Cecil Plains which included presentations from DSDMIP staff to explain how the RPI Act relates to land access by resource companies in prime agricultural areas.

More than 60 stakeholders were engaged in this work and information session attendees were able to speak with the DSDMIP staff, had their questions answered in person and were provided with hand out material on the topic.

Information on the RPI Act was also distributed widely via the Commission's online communications channels.

Local government briefing sessions

In the 2017-18 financial year, the Commission delivered a series of presentations tailored to each of the following local government areas:

- Burke Shire Council
- Balonne Shire Council
- Banana Regional Council
- Barcaldine Regional Council
- Boulia Shire Council
- Central Highlands Regional Council
- Longreach Regional Council
- Maranoa Regional Council
- McKinlay Shire Council
- Mount Isa City Council
- Murweh Shire Council
- Western Downs Regional Council

The Commission presented to regional councils on learnings about the coal seam gas industry and provided maps with petroleum and gas tenures located within their respective local government areas.

These presentations provided regional councils with up to date information about resource companies planning to operate in their region and raised awareness about what to expect with the arrival or presence of the petroleum and gas industry.

Communications

The communications team is the voice of the GasFields Commission and supports Commission initiatives by delivering factual information, reports, printed and online materials, media management and editorial control of all outward facing material.

In the 2017-18 financial year, the Commission reached over 250,000 people via its online presence with factual and relevant information being distributed via our website and social media channels including Facebook, Twitter, LinkedIn and Instagram.

In this same period, communication via traditional media outlets resulted in a total potential readership of over 9 million people, excluding radio coverage.

This activity meets strategic objectives 1 and 2 (refer page 6).

Major communication initiatives and achievements during the 2017-18 period include:

GasApp

The GasFields Commission spent the 2017-18 reporting period developing and testing a new phone application called the GasApp.

The app was developed in response to a need to improve communications between landholders, gas companies, local government, Queensland government agencies and other important stakeholders.

The concept is to streamline communications for industry stakeholders by making full use of the functionality of a smartphone. Users can use their phone camera and auto location service to quickly and easily communicate issues and complaints while the Commission can disseminate important updates, operational information, ideas and general messages.

The app also contains an estimator where landholders in particular can calculate an estimate of the compensation they may be entitled to from gas development on a property. This serves two functions - the first being to manage expectations and provide an estimate to reduce guesswork and make landholders aware of the various factors they should consider when negotiating a conduct and compensation agreement. That makes it both an educational and estimation tool to assist people to make more informed decisions.

The GasApp has been extensively industry tested with more than 50 'test' apps sent out to a wide range of industry stakeholders in 2017-18 and adjustments made where feasible.

It is programmed for release to the market in early 2018-19.

Queensland's Petroleum & Gas Industry Snapshot

The Commission published Queensland's Petroleum and Gas Industry Snapshot (the Industry Snapshot) in May 2018, highlighting the current state of the petroleum and gas industry in Queensland.

The publication illustrates industry development trends, groundwater management and the industry's economic contributions to regional communities and the State of Queensland.

The Industry Snapshot represents current data from around 30 different reference sources across industry and government, which was independently analysed by the Commission's Policy and Research Team and displayed graphically in the 19-page publication.

The Industry Snapshot was published on the Commission's website, distributed to rural landholders and community residents at the Commission's regional engagement events and promoted through various online social media channels.

Educational materials

During the reporting period, the following webpages were created on the Commission's website:

1. [Investigations into hydraulic fracturing in Australia](#) webpage provides a comprehensive summary of past and present investigations into the practice of hydraulic fracturing in Australia, including formal parliamentary committee inquiries, independent reviews and research.
2. [Understanding Compensation](#) webpage provides information to landholders about the impacts of petroleum and gas operations on their property and what to expect when negotiating a conduct and compensation agreement with a petroleum and gas company.
3. [Queensland's onshore sedimentary basins](#) webpage provides maps of the basins that contain petroleum and gas reserves in Queensland and where large and medium sized energy companies currently hold a resource authority to conduct an exploration (authority to prospect – ATP) or production activity (petroleum lease – PL).

Additionally, the following factsheets and checklists were published on the Commission's website and distributed via engagement activities during the reporting period:

1. [Dispute Resolution Factsheet](#) provides the options available to landholders to settle any disputes that may arise when negotiating agreements with petroleum and gas companies.
2. [Biosecurity Checklist](#) outlines the steps a landholder should take to prepare a property map and a biosecurity plan for their property to ensure biosecurity management is directly addressed during negotiations with petroleum and gas companies.
3. [Make Good Agreement Factsheet](#) summarises the steps in the make good process that a petroleum and gas company and landholder must take if their water bore has been identified as a potentially impacted bore as a result of petroleum and gas operations.
4. [Conventional versus Unconventional Petroleum and Gas FAQ](#) describes the difference between conventional and unconventional petroleum and gas resources in Queensland and where they are located.

Policy and research

The policy and research team represents the brains of the GasFields Commission and provides important content that drives engagement and communication activities.

Throughout the 2017-18 financial year, the policy and research team provided data, information, maps, analysis, interpretation and other content to inform many of the Commission's achievements including:

- GasApp
- Queensland's Petroleum & Gas Industry Snapshot
- Educational materials
- Local government briefing sessions
- Responses to identified 'hot topics'
- Topical content for online social media channels

This activity meets strategic objectives 2, 3 and 4 (refer page 6).

Additional initiatives and achievements by the policy and research team in this reporting period include:

Response to the Mineral, Water and Other Legislation Amendment Bill 2017

In July 2017, the Commission provided advice to the Minister for Natural Resources, Mines and Energy about changes proposed to the *Mineral and Energy Resources (Common Provisions) Act 2014*, *Petroleum Act 1923*, *Petroleum and Gas (Production and Safety) Act 2004* and the *Water Act 2000* through the Mineral, Water and Other Legislation Amendment (MWOLA) Bill 2017.

The Commission provided recommendations regarding how the statutory processes for conduct and compensation agreement and make good agreement negotiation and alternative dispute resolution could be improved.

Government response to the independent review of the GasFields Commission Queensland

The Commission was tasked by government to deliver a total of 30 recommendations from an independent review of the GasFields Commission Queensland.

As at June 2018, the Commission had delivered 21 of the 30 recommendations.

The remaining 9 recommendations require the coordination of state government agencies and the Commission continues to work with these agencies to deliver the remaining recommendations.

Submission on the draft Assessing Groundwater-Dependent Ecosystems: IESC Information Guidelines Explanatory Note

In May 2018, the Commission provided a submission on the Independent Expert Scientific Committee's (IESC) draft Explanatory Note, 'Assessing Groundwater-Dependent Ecosystems: IESC Information Guidelines Explanatory Note'.

The Explanatory Note is intended to assist proponents in preparing environmental assessments for projects potentially impacting groundwater-dependent ecosystems (GDEs).

The Commission's submission contained 10 recommendations and comments for the IESC's consideration, and requested further clarification on the identification of reference sites and unmapped GDEs.

The Commission stated it is essential that all stakeholders have an understanding of the environmental compliance obligations of CSG companies and supports the IESC in considering the cumulative impact of all groundwater users, as well as the concept of unified databases.

Advice on the Regional Planning Interests Act

One of the Commission's functions is to provide advice to the Queensland Government about the ability of landholders, regional communities and the resources industry to coexist within an area of regional interest established under the Regional Planning Interests Act 2014.

During the reporting period, the Commission provided advice to the Queensland Government on three Regional Interests Development Approval applications in relation to onshore gas developments in regional Queensland.

Collaborating with Independent Scientific Researchers

Throughout the 2017-18 reporting period, the Commission has continued to support various scientific studies and publications including the University of Queensland [boomtown study](#), and the Commonwealth Scientific and Industrial Research Organisation (CSIRO) in its development of a research framework to investigate possible [health effects associated with coal seam gas activity](#).

The Commission has actively participated in health knowledge transfer sessions and other meetings hosted by the CSIRO and provided field intelligence where required.

The Commission will continue to support independent scientific research into the industry within available resources.

Future priorities

The GasFields Commission's strategic priorities for 2018-19 aim to fulfill the recommendations from the 2016 independent review of the Commission and government response, as well as contribute to the government's objectives for regional communities for the 2018-19 period.

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

- supporting strong business-to-business relationships between landholders, resource companies and communities through communication and engagement
- promoting 'buy local' policies and opportunities for regional Queensland businesses to provide goods and services to the gas industry and lead contractors

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

- proactively communicating via a range of platforms to suit a range of stakeholders, with a particular focus on face-to-face regional engagement
- using advanced technology and digital communication to make key industry information and data readily and easily accessible

Specific key priorities for our 2018-19 service delivery include:

- establishing a Community Health and Wellbeing Reference Group to address stakeholder concerns and facilitate the delivery of information on health issues
- continuing to build an extensive communication and engagement program in established and emerging gas development areas to inform and equip regional communities
- developing additional tools, both digital and hard copy, to improve accessibility of relevant information
- collecting, collating, analysing and interpreting relevant data, evaluating trends and presenting this information in widely accessible formats

Our people

The Commission employed eleven (11) staff members as at 30 June 2018, equivalent to 10.8 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*.

The permanent separation rate was 0%.

The following arrangements meet strategic objective 5 (refer page 6).

Our values

Integrity and accountability

- deliver on our commitments
- demonstrate leadership and transparency

Quality and continual improvement

- strive for the highest possible standards
- deliver consistently in approach and output
- pursue opportunities to innovate and continuously improve

Respect

- value the position and contribution of all stakeholders
- engage inclusively and authentically
- actively listen and constructively engage
- promote respectful and balanced relationships

Independence

- actively maintain our independence
- provide robust and objective advice

Teamwork and collaboration

- work as a team to achieve our purpose
- value-add through genuine collaboration and consultation
- actively establish and promote partnerships

Strategic workforce planning and performance

The Commission's staffing levels are based on the annual operational plan and budget.

Candidates for permanent employment undergo merit-based selection. The Commission also engages contractors for specialist advice and project work.

Employee performance management and development

All new staff members undergo a corporate induction program that includes orientation to the Commission's role and functions, policies and procedures, and IT and records management systems.

Each year, staff members are formally reviewed through a performance evaluation process that includes the development of annual performance and learning plans (which include professional development opportunities) and key performance indicators.

The results of performance reviews are considered in the annual salary review process and they inform decisions regarding staff suitability for salary increments, where applicable.

Flexible working 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 and employees with confidential counselling in regard to workplace and personal issues.

Industrial and employee relations

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.

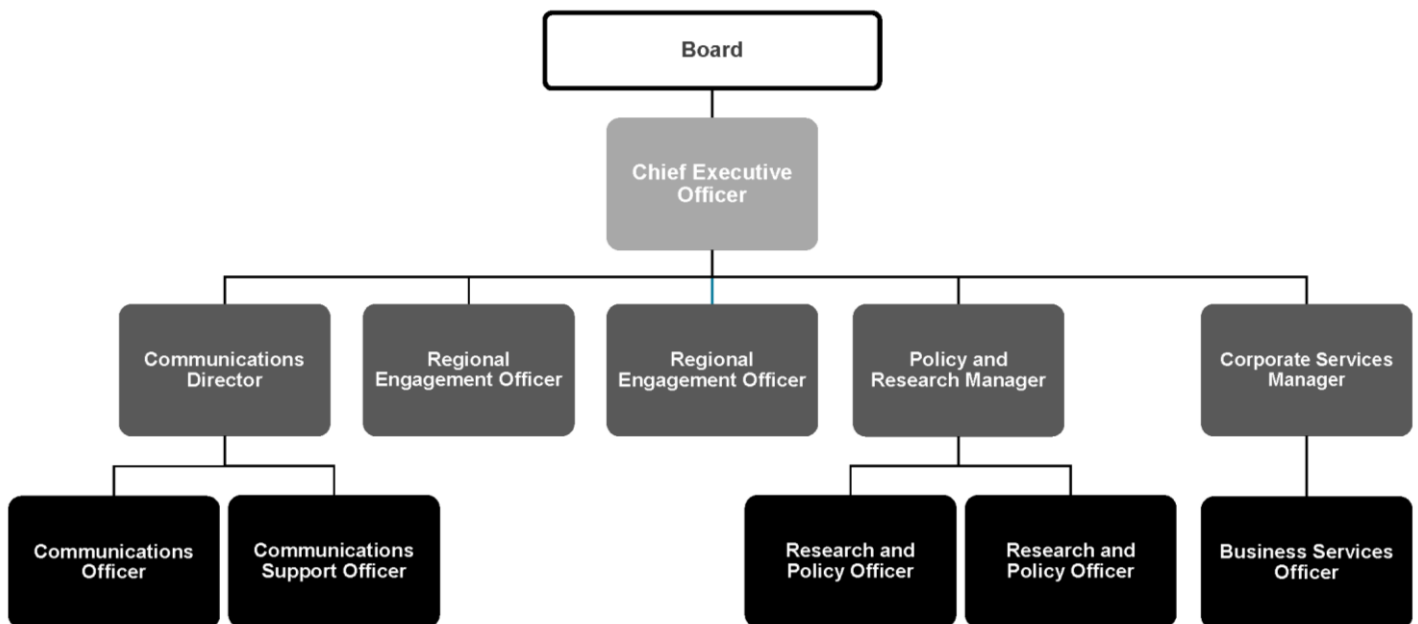
The Chief Executive Officer manages any workplace complaints, investigations and WorkCover claims that may arise. Investigations may be outsourced where specialist knowledge or skills are required, or where there may be a perceived conflict of interest.

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 the 2017-18 reporting period.

Organisational structure



The Commission

Ruth Wade, Chair

As Chair, Ruth Wade was responsible for the Commission's direction and outcomes for the 2017-18 reporting period.

Mrs Wade is the former Chief Executive Officer of the Queensland Farmers' Federation. Prior to that role she was Executive Director of the Ricegrowers' Association of Australia Inc., and has a combined 25 years of experience in agricultural and business management within Queensland and nationally.

She served nine years as a part-time member of the National Native Title Tribunal, mediating between indigenous groups and other landholders with interests in land about coexistence.

Mrs Wade has a long association with the agricultural industry, with her former roles including Executive Director of The Cattlemen's Union of Australia, Director of Meat & Livestock Australia Ltd and as a former Director of QRAA (formerly Queensland Rural Adjustment Authority).

Fleur Anderson, Commissioner

Fleur Anderson is a landholder from Theodore. She is a past President of Dawson Valley's Cotton Growers' Association and an elected non-executive Director of Cotton Australia since 2013.

Ms Anderson is a passionate advocate for small businesses and rural communities, and is the founder of the Rural Business Collective which aims to create an entrepreneurial culture in rural Australia and to increase regional economic diversity.

Ian Hayllor, Commissioner

Ian Hayllor is a landholder and irrigator who has grown cotton and grain crops on the Darling Downs since the 1980s.

Mr Hayllor is an effective rural leader who has a passion for positive engagement with the coal seam gas industry. Mr Hayllor has been a GasFields Commissioner since 2013 and taken a lead role in water and salt management to ensure access to groundwater and its quality are not compromised.

Rick Wilkinson, Commissioner

Rick Wilkinson is a Senior Associate with EnergyQuest, an independent energy consultancy.

He has worked in the petroleum industry for more than three decades and served as a GasFields Commissioner since 2013.

Mr Wilkinson has held positions as the Chief Technical Officer for the Australian Petroleum Production and Exploration Association (APPEA), President of Queensland operations and GLNG, a CSG to LNG project with Santos, and overseas positions with technology service company Schlumberger in Iran, Iraq, Egypt, Sudan and the USA.

Carolyn Collins, Chief Executive Officer

As Chief Executive Officer, Carolyn Collins is responsible for implementing strategic priorities as directed by the Board and the day-to-day administration of the Commission and its staff.

Mrs Collins is passionate about working with broad stakeholder groups to facilitate collaborative outcomes for complex and technical issues.

A trained scientist, Mrs Collins has more than 20 years experience in tourism and resources sectors across state and federal jurisdictions.

She has held previous senior management roles including General Manager of Water and Approvals at Arrow Energy, Land Access Manager at QGC, owner/operator of Cape Hillsborough Nature Resort, and advocacy roles at APPEA and the Queensland Resources Council.

Executive performance

Commission board meetings

The Commission Board met on eight occasions during the 2017-18 reporting period. This included two out-of-session meetings.

Community Leaders Council

Section 29 of the the Act requires the Commission to establish a Community Leaders Council, which the Commission is satisfied is representative of local governments, regional communities and the onshore gas industry. The Community Leaders Council met at Yuleba during the 2017-18 reporting period. Topics covered included alternative dispute resolution, legislative changes, the Land Court of Queensland, information services for landholders and a Q & A session facilitated by Chair Ruth Wade.

Corporate governance

Under the guidance of Commission Board, management has implemented an administrative framework which ensures the Commission is managed in an effective and efficient manner.

A range of policies and procedures have been developed to ensure the Commission's objectives are met whilst adhering to strict professional and ethical standards.

Particular attention is paid to possible conflicts of interest. This includes Commissioners and staff absenting themselves from any decisions where conflicts of interest, real or perceived, may arise.

These policies are regularly reviewed as part of the Commission's annual stocktake of its corporate governance framework.

Risk management system

Since the Commission Board resolved to disband the Audit and Risk Management Committee in December 2016, responsibility for maintaining the Commission's risk management system was delegated to the Chief Executive Officer.

The Commission's risk management system includes:

- a risk matrix
- a risk register which is reviewed at each Board meeting and updated as required
- risk management processes, including:
 - policies and procedures
 - training for all staff on work health and safety, incident response and fraud prevention
 - business continuity planning
 - annual external audit of financial operations.

Information systems and recordkeeping

In 2017-18, the Commission made a number of improvements to its information systems, including:

- the transition of information technology (IT) support to the Corporate Administration Agency. This has resulted in an improved security posture as well as increased performance and reliability.
- the development of a Customer Relationship Management system which enables staff, including regional engagement officers, to capture records remotely.

The Commission also engages a Virtual Security Officer to advise on IT security.

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 recordkeeping program and are principally held in digital format on a cloud-based system.

There have been no breaches of information security during the financial year.

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.

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 \$3.039 million, with the major items of expenditure being employee expenses (\$1.752 million) and supplies and services including travel to support increased regional engagement activities, contractor services, and corporate service level agreements (\$1.237 million).

The Commission received an unqualified audit report from the Auditor General confirming the Commission's financial statements were a true and accurate reflection of the Commission's transactions for the financial year 2017-18.

Comparison of budget and actual results

In 2017-18, the Minister approved the Commission's budget for \$3.100 million and agreed to supplement that budget with cash reserves of \$.575 million to enable the Commission to deliver on its strategic objectives. The Minister had previously acknowledged the need to submit a revised budget should the recommendations of the Scott independent review significantly increase the Commission's ongoing recurrent costs.

In response to the Scott Review and subsequent amendments to the *GasFields Commission Act 2013*, the Commission has restructured and transitioned to a stronger focus on regional engagement and communication throughout the gas fields.

The table below compares budget and actual results.

	2017-18 Actual	2017-18 Budget	Variance
	\$'000	\$'000	\$'000
State Government Grant	2,500	2,500	-
Other Revenue	38	25	(13)
Draw down from cash reserves	501	575	74
Total Revenue	3,039	3,100	(61)
Employee Expenses	1,752	1 800	48
Supplies and Services	1,237	1 260	23
Other Expenses	50	40	(10)
Total Expenditure	3,039	3 100	61

State Government Grant/Total Revenue	99.99%		
Employee Expenses/Total Expenditure	57.65%		



Gasfields Commission Queensland Financial Statements

for the year ended 30 June 2018

Gasfields Commission Queensland Financial Statements 2017-18

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General Information

These financial statements cover 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 or visit the Commission's Internet site gasfieldscommissionqld.org.au.

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

Gasfields Commission Queensland

Statement of Comprehensive Income for the year ended 30 June 2018

		2018	2017
	Notes	\$'000	Restated * \$'000
OPERATING RESULT			
Income from Continuing Operations			
Grants and other contributions		2,500	2,500
Interest		38	26
Total Income from Continuing Operations		2,538	2,526
Expenses from Continuing Operations			
Employee expenses	2	1,752	1,235
Supplies and services	5	1,237	980
Depreciation		13	12
Other expenses		37	26
Total Expenses from Continuing Operations		3,039	2,253
Operating Result from Continuing Operations		(501)	273
Total Comprehensive Income		(501)	273

The accompanying notes form part of these statements.

* Refer to Note 13.

Gasfields Commission Queensland

Statement of Financial Position as at 30 June 2018

		2018	2017
	Notes	\$'000	Restated *
			\$'000
Current Assets			
Cash and cash equivalents		646	1,169
Receivables		27	42
Other current assets		10	8
Total Current Assets		683	1,219
Non Current Assets			
Property, plant and equipment	6	38	45
Total Non Current Assets		38	45
Total Assets		721	1,264
Current Liabilities			
Payables	7	79	157
Finance lease - current	8	32	17
Accrued employee benefits	9	132	83
Total Current Liabilities		243	257
Non Current Liabilities			
Finance lease - non-current	8	-	29
Total Non Current Liabilities		-	29
Total Liabilities		243	285
Net Assets		478	979
Equity			
Accumulated surplus		478	979
Total Equity		478	979

The accompanying notes form part of these statements.

* Refer to Note 13.

Gasfields Commission Queensland

Statement of Changes in Equity for the year ended 30 June 2018

	Accumulated Surplus \$'000
Balance as at 1 July 2016	706
Operating Result from Continuing Operations	273
	<hr/>
Balance as at 30 June 2017	979
	<hr/>
Balance as at 1 July 2017	979
Operating Result from Continuing Operations	(501)
	<hr/>
Balance as at 30 June 2018	478
	<hr/>

The accompanying notes form part of these statements.

Gasfields Commission Queensland

Statement of Cash Flows for the year ended 30 June 2018

	2018	2017
	\$'000	\$'000
Cash flows from operating activities		
<i>Inflows:</i>		
Service Appropriation Receipts	2,500	2,500
GST input tax credits from ATO	29	(2)
Other	38	26
<i>Outflows:</i>		
Employee expenses	(1,703)	(1,286)
Supplies and services	(1,315)	(879)
GST paid to suppliers	(14)	(26)
Other	(39)	(26)
Net cash provided by (used in) operating activities	(504)	307
Cash flows from investing activities		
<i>Outflows:</i>		
Payments for property, plant and equipment	(6)	-
Net cash provided by (used in) investing activities	(6)	-
Cash flows from financing activities		
<i>Outflows:</i>		
Lease payments	(13)	-
Net cash provided by (used in) financing activities	(13)	-
Net increase (decrease) in cash and cash equivalents	(523)	307
Cash and cash equivalents at beginning of financial year	1,169	862
Cash and cash equivalents at end of financial year	646	1,169

The accompanying notes form part of these statements.

Gasfields Commission Queensland
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2017-18

Note 1:	Basis of Financial Statement Preparation
Note 2:	Employee Expenses
Note 3:	Key Management Personnel (KMP) Disclosures
Note 4:	Related Party Transactions
Note 5:	Supplies and Services
Note 6:	Property, plant and equipment and depreciation expense
Note 7:	Payables
Note 8:	Finance Lease
Note 9:	Accrued Employee Benefits
Note 10:	Commitments for Expenditure
Note 11:	Contingencies
Note 12:	Events occurring after Balance Date
Note 13:	Prior Period Errors and Adjustments

Gasfields Commission Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2017-18

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 objective is to manage and improve sustainable coexistence among rural landholders, regional communities and the onshore gas industry in Queensland.

The Commission was established on 1 July 2013 to develop and perform the following functions:

- facilitate 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;
- 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;
- convening landholders, regional communities and the onshore gas industry for the purpose of resolving issues;
- obtaining particular information from government entities and prescribed entities;
- obtaining advice about the onshore gas industry or functions of the Commission from government entities;
- 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; and
- 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 43 of the *Financial and Performance Management Standard 2009*. The financial statements comply with Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2017.

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.

Gasfields Commission Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2017-18

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) Grants and Other Contributions

Grants, contributions, donations and gifts which are non-reciprocal in nature are recognised as revenue in the year in which the Commission obtains control over them.

(d) Cash and Cash Equivalents

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

(e) 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 ATO, are recognised in the Statement of Financial Position.

(f) Authorisation of Financial Statements for Issue

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

(g) 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 has been restated where necessary to be consistent with disclosures and classifications in the current reporting period. Refer to Note 13.

(h) 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

(i) New and Revised Accounting Standards

The Commission did not voluntarily change any of its accounting policies during 2017-18. Australian accounting standard changes applicable for the first time for 2017-18 have had minimal effect on the Commission's financial statements.

No Australian Accounting Standards have been early adopted for 2017-18.

Accounting Standards Applied for the First Time

No Australian Accounting Standards have been applied for the first time in 2017-18.

Future Impact of Accounting Standards not yet Effective

AASB 16 - Leases

This standard will first apply to the Commission from its financial statements for 2019-20. When applied, the standard supersedes AASB 117 Leases, AASB Interpretation 4 Determining whether an Arrangement contains a Lease, AASB Interpretation 115 Operating Leases – Incentives and AASB Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

Gasfields Commission Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2017-18

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

Impact for Lessees

Unlike AABS 117 Leases, AASB 16 introduces a single lease accounting model for lessees. Lessees will be required to recognise a right-of-use asset (representing rights to use the underlying leased asset) and a liability (representing the obligation to make lease payments) for all leases with a term of more than 12 months, unless the underlying assets are of low value.

In effect, the majority of operating leases (as defined by the current AASB 117) will be reported on the statement of financial position under AASB 16. There will be a significant increase in assets and liabilities for agencies that lease assets. The impact on the reported assets and liabilities would be largely in proportion to the scale of Gasfields Commission Queensland's leasing activities.

The right-of-use asset will be initially recognised at cost, consisting of the initial amount of the associated lease liability, plus any lease payments made to the lessor at or before the effective date, less any lease incentive received, the initial estimate of restoration costs and any initial direct costs incurred by the lessee. The right-of-use asset will give rise to a depreciation expense.

The lease liability will be initially recognised at an amount equal to the present value of the lease payments during the lease term that are not yet paid. Current operating lease rental payments will no longer be expensed in the Statement of Comprehensive Income. They will be apportioned between a reduction in the recognised lease liability and the implicit finance charge (the effective rate of interest) in the lease. The finance cost will also be recognised as an expense.

AASB 16 allows a 'cumulative approach' rather than full retrospective application to recognising existing operating leases. If a lessee chooses to apply the 'cumulative approach', it does not need to restate comparative information. Instead, the cumulative effect of applying the standard is recognised as an adjustment to the opening balance of accumulated surplus (or other component of equity, as appropriate) at the date of initial application. The Commission will await further guidance from Queensland Treasury on the transitional accounting method to be applied.

Gasfields Commission Queensland has not yet quantified the impact on the Statement of Comprehensive Income or the Statement of Financial Position of applying AASB 16 to its current operating leases, including the extent of additional disclosure required. The exact impact will not be known until the year of transition. However, assuming the Commission's current operating lease commitments (see Note 10) were recognised 'on-balance sheet' at transition, the expected increase in lease liabilities (with a corresponding right-of-use asset) is estimated to be \$700k. The reclassification between supplies and services expense and depreciation/interest has not yet been estimated.

Gasfields Commission Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2017-18

	2018	2017
	\$'000	\$'000
2. Employee Expenses		
Employee Benefits		
Wages and salaries	1,312	936
Employer superannuation contributions	157	114
Annual leave expense	121	61
Long service leave levy	29	16
Employee Related Expenses		
Payroll tax	74	54
Other employee related expenses	59	54
Total	1,752	1,235
	2018	2017
Number of employees:	11	9

The number of employees as at 30 June, 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.

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.

Gasfields Commission Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2017-18

3. 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 2017-18. 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	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 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 members of the Commission.

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 2017-18

3. Key Management Personnel (KMP) Disclosures (cont'd)

Remuneration Expenses

1 July 2017 – 30 June 2018

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	203	10	4	16	0	233
Chair	161	0	3	18	0	182
Commissioner	10	0	0	1	0	11
Commissioner	9	0	0	1	0	10
Commissioner	12	0	0	1	0	13
Total Remuneration	395	10	7	37	0	449

1 July 2016 - 30 June 2017

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
Chair						
1 July 16 - 30 Nov 16	199	7	3	15	0	224
1 Dec 16 - 30 June 17	110	0	2	11	0	123
General Manager *						
24 Oct 16 - 30 June 17	108	0	2	9	0	119
Commissioner						
1 July 16 - 30 Nov 16	19	0	0	2	0	21
Commissioner						
1 July 16 - 30 June 17	21	0	0	2	0	23
Commissioner						
1 July 16 - 30 Nov 16	17	0	0	2	0	19
Commissioner						
1 July 16 - 30 Nov 16	20	0	0	3	0	23
Commissioner						
1 July 16 - 30 Nov 16	17	0	0	2	0	19
Commissioner						
1 July 16 - 30 June 17	24	0	0	3	0	27
Commissioner						
1 Dec 16 - 30 June 17	3	0	0	0	0	3
Total Remuneration	538	7	7	49	0	601

* Due to changes in the *Gasfields Commission Act 2013*, the General Manager is now the Chief Executive Officer.

Gasfields Commission Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2017-18

4. Related Party Transactions

Transactions with people/entities related to KMP

There are no transactions to disclose.

	2018	2017
	\$'000	\$'000
5. Supplies and Services		
Contractors	554	472
Corporate service charges	336	331
Travel	104	55
Repairs and maintenance	53	31
Minor plant and equipment	52	7
Motor Vehicle	30	24
Stakeholder Engagement	38	18
Administration costs	36	22
Communications	33	12
Advertising and promotion	1	8
Total	1,237	980

6. Property, plant and equipment and depreciation expense

Property, Plant and Equipment

Gross	74	68
Less: accumulated depreciation plant and equipment	(36)	(23)

Carrying amount at 30 June

38	45
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Represented by movements in carrying amount

Property, Plant and Equipment reconciliation

Carrying amount at 1 July	45	57
Acquisitions	6	-
Depreciation for period	(13)	(12)

Carrying amount at 30 June

38	45
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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

Gasfields Commission Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2017-18

6. Property, plant and equipment and depreciation expense (cont'd)

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:

Class	Rate
Plant and equipment	20%

7. Payables

	2018	2017
	\$'000	\$'000
Trade and other creditors	68	148
Accruals	11	9
Total	79	157

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.

8. Finance Lease

Current

Finance lease - current	32	17
Total - Current Liability	32	17

Non-Current

Finance lease - non-current	-	29
Total - Non-Current Liability	-	29

Total - Finance lease	32	45
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Gasfields Commission Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2017-18

9. Accrued Employee Benefits	2018	2017
	\$'000	\$'000
<i>Current</i>		
Provision for annual leave	90	52
Salary and wages payable	22	18
Accrued leave loading	10	6
Long service leave levy payable	7	5
Superannuation payable	3	2
Total	132	83

10. Commitments for Expenditure

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

Not later than one year	184	163
Later than one year and not later than five years	516	-
Total	700	163

11. Contingencies

There are no legal or any other contingencies that are known to the Commission at 30 June 2018.

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 2018.

12. Events Occurring after Balance Date

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

Gasfields Commission Queensland
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2017-18

13. Prior Period Errors and Adjustments

The published 2016-17 financial statements contained an error in the accounting treatment of a motor vehicle leasing contract. The lease was incorrectly treated as an operating lease rather than a finance lease.

Comparative numbers reported in the 2016-17 Statement of Financial Position, and at the beginning of the comparative financial period have been restated to correct this error below. The line items affected are as follows:

Financial Statement Line Items Affected	Note	2017 Published Financial Statement \$'000	Correction of Error \$'000	2017 Restated Actuals \$'000
<u>Statement of Financial Position</u>				
Property, plant & equipment	6.	-	45	45
Finance lease - current	8.	-	(17)	(17)
Finance lease non-current	8.	-	(29)	(29)
<i>Total Net Assets</i>		-	-	-
<u>Statement of Comprehensive Income</u>				
Supplies and services	5.	995	(15)	980
Other expenses		23	3	26
Depreciation		-	12	12
<i>Total Expenses from Continuing Operations</i>		1,018	-	1,018

**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 43 of the *Financial and Performance Management Standard 2009* and other prescribed requirements. In accordance with section 62 (1)(b) of the Act we certify that in our opinion:

- (a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects;
- (b) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of Gasfields Commission Queensland for the financial year ended 30 June 2018 and of the financial position of the Commission at the end of that year; and
- (c) these assertions are based on an appropriate system of internal controls and risk management processes being effective, in all material respects, with respect to financial reporting throughout the reporting period.



Ruth Wade
Chair
Gasfields Commission Queensland



Carolyn Collins
CEO
Gasfields Commission Queensland

Date: 31 August 2018

Date: 31 August 2018

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 2018, 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 2009 and Australian Accounting Standards – Reduced Disclosure Requirements.

The financial report comprises the statement of financial position as at 30 June 2018, 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 2009 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, but not for expressing an opinion on the effectiveness of the entity's internal control.
- 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 2018:

- 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.



Melissa Fletcher
as delegate of the Auditor-General



Queensland Audit Office
Brisbane

Compliance checklist

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	<ul style="list-style-type: none"> A letter of compliance from the accountable officer or statutory body to the relevant Minister/s 	ARRs – section 7	ii
Accessibility	<ul style="list-style-type: none"> Table of contents Glossary 	ARRs – section 9.1	iii
	<ul style="list-style-type: none"> Public availability 	ARRs – section 9.2	i
	<ul style="list-style-type: none"> Interpreter service statement 	Queensland Government Language Services Policy ARRs – section 9.3	i
	<ul style="list-style-type: none"> Copyright notice 	Copyright Act 1968 ARRs – section 9.4	i
	<ul style="list-style-type: none"> Information Licensing 	QGEA – Information Licensing ARRs – section 9.5	i
General information	<ul style="list-style-type: none"> Introductory Information 	ARRs – section 10.1	6
	<ul style="list-style-type: none"> Agency role and main functions 	ARRs – section 10.2	6
	<ul style="list-style-type: none"> Machinery of Government changes 	ARRs – section 31 and 32	N/A
	<ul style="list-style-type: none"> Operating environment 	ARRs – section 10.3	7
Non-financial performance	<ul style="list-style-type: none"> Government's objectives for the community 	ARRs – section 11.1	15
	<ul style="list-style-type: none"> Other whole-of-government plans / specific initiatives 	ARRs – section 11.2	N/A
	<ul style="list-style-type: none"> Agency objectives and performance indicators 	ARRs – section 11.3	6
	<ul style="list-style-type: none"> Agency service areas and service standards 	ARRs – section 11.4	7
Financial performance	<ul style="list-style-type: none"> Summary of financial performance 	ARRs – section 12.1	22
Governance – management and structure	<ul style="list-style-type: none"> Organisational structure 	ARRs – section 13.1	18
	<ul style="list-style-type: none"> Executive management 	ARRs – section 13.2	18
	<ul style="list-style-type: none"> Government bodies (statutory bodies and other entities) 	ARRs – section 13.3	N/A
	<ul style="list-style-type: none"> Public Sector Ethics Act 1994 	Public Sector Ethics Act 1994 ARRs – section 13.4	21
	<ul style="list-style-type: none"> Queensland public service values 	ARRs – section 13.5	16
Governance – risk management	<ul style="list-style-type: none"> Risk management 	ARRs – section 14.1	20
	<ul style="list-style-type: none"> Audit committee 	ARRs – section 14.2	N/A

Summary of requirement	Basis for requirement	Annual report reference	
and accountability	• Internal audit	ARRs – section 14.3	N/A
	• External scrutiny	ARRs – section 14.4	N/A
	• Information systems and recordkeeping	ARRs – section 14.5	21
Governance – human resources	• Strategic workforce planning and performance	ARRs – section 15.1	16
	• Early retirement, redundancy and retrenchment	Directive No.11/12 <i>Early Retirement, Redundancy and Retrenchment</i> Directive No.16/16 <i>Early Retirement, Redundancy and Retrenchment</i> (from 20 May 2016) ARRs – section 15.2	17
Open Data	• Statement advising publication of information	ARRs – section 16	N/A
	• Consultancies	ARRs – section 33.1	https://data.qld.gov.au
	• Overseas travel	ARRs – section 33.2	https://data.qld.gov.au
	• Queensland Language Services Policy	ARRs – section 33.3	https://data.qld.gov.au
Financial statements	• Certification of financial statements	FAA – section 62 FPMS – sections 42, 43 and 50 ARRs – section 17.1	42
	• Independent Auditor’s Report	FAA – section 62 FPMS – section 50 ARRs – section 17.2	24

FAA *Financial Accountability Act 2009*

FPMS *Financial and Performance Management Standard 2009*

ARRs *Annual report requirements for Queensland Government agencies*