



GasFields Commission Queensland

Annual Report 2018 – 2019

About this Report

This annual report reviews the activities and achievements of the GasFields Commission Queensland for the 2018-2019 financial year against the strategic objectives and measures of success listed in the Commission's Strategic Plan 2018-2022. 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 2018-2019 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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11 September 2019

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 2018 – 2019 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 52 of this annual report.

Yours sincerely

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

Ian Langdon

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Message from the Chair



The GasFields Commission is a unique organisation doing a unique job.

A primary role of the GasFields Commission is to create and maintain a harmonious and integrated relationship between landholders, regional communities and the onshore gas industry in Queensland.

Since restructuring in 2016-17, the Commission has become a small, efficient team of engagement officers, communicators and researchers targeting key information issues in the gas fields. Consistent with the recommendations of the Scott Review, the Commission ensures the consistency of information being publicly provided by government agencies with respect to the onshore gas industry and the Commission's various publications facilitate the wide distribution of relevant information.

It has produced a raft of new communications and engagement resources that are unique to Queensland and the gas industry as a whole and continues to develop innovative methods for engaging with stakeholders.

The Gas Guide is the first time any government organisation in Queensland has compiled everything you need to know about the gas industry from beginning to end into one easy to read binder that can be updated regularly with relative ease. The development and release of the phone based GasApp was a first for Queensland, Australia and we believe the world. Its multi-functionality has been very well received by landholders, valuers and communicators.

The Commission's workshops on biosecurity around major infrastructure projects such as gas development is winning accolades from other organisations specialising in the very broad topic that is biosecurity.

Our data collection program and reporting is allowing the Commission to assist decision makers with a much clearer picture of exactly what is going on in the gas industry in Queensland and make informed recommendations to government.

Our information sessions with the Land Access Ombudsman and the Land Court of Queensland are helping to demystify the dispute resolution process and give people a better understanding of where to find help.

Most industry forecasts predict that the Queensland gas industry will continue to expand for decades to come.

So it is important that the GasFields Commission remains vigilant in identifying new areas of development, stays in front of the information curve and provides the tools people need for the gas industry and landholders to interact effectively and respectfully.

To do that within the Commission's very limited resources we must remain independent and innovative.

Regards

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

Ian Langdon

CEO's Report



The GasFields Commission has had an enormously productive year.

The release of the GasApp, printing of the Gas Guide, data collection and wide range of workshops and information sessions have all kept the Commission very busy.

We are a small team so we focus on key areas of concern and systemic issues, challenge preconceptions and work to provide mechanisms to resolve them.

We look at issues through fresh eyes, engaging with a wide range of individuals and stakeholder groups to identify what has been done in the past, what worked, what didn't work, and then find solutions that in some cases traditional government agencies would find challenging to deliver.

The way we engage is critical to ensure we extend beyond the usual contacts to reach individuals who live and work in regions with gas exploration and development. It is these conversations that influence our program of work generating practical tools to support coexistence and business-to-business relationships.

The GasApp is a great example of a solution specifically tailored to address the gaps that have been raised consistently with the Commission team. The GasApp puts an additional communication tool in the hands of stakeholders enabling real time notifications, reporting to the regulator and assistance in understanding how to estimate compensation.

The team worked through a long consultation process to develop the GasApp and despite a few challenges along the way, GasApp Aus has been embraced by landholders, communities, valuers, government and industry.

The Gas Guide also presented an enormous task of collecting and collating everything a stakeholder needs to know about the industry from the release of petroleum tenure through to rehabilitation and handing the land back to the landholder.

Once again the team pulled together and made a mammoth effort to collect, update, fact check and publish the voluminous amount of information in one easy-to-read document.

The Commission used these new tools to engage with almost 3000 stakeholders during 2018/19 at more than 400 events.

The GasApp has been downloaded by more than 650 people, we have distributed more than 300 Gas Guides and our electronic media channels continue to reach out to thousands of people.

The Commission's workshops and information sessions are reaching an ever widening audience by taking them to areas that may have been overlooked in the past. We are proactively providing information on what to expect, who to contact for help and respective rights and obligations.

By encompassing the whole of Queensland, the Commission is in a constant state of consultation, finding out where the information gaps are, who needs help, developing systems to fix those gaps and then constantly reassessing the way we do business.

It has been an exciting and highly productive year with more to come.

Regards

A handwritten signature in black ink, appearing to read 'Carolyn Collins', with a small flourish at the end.

Carolyn Collins

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 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
- making recommendations to government and industry about leading practice
- provide advice about assessment applications under the *Regional Planning Interests Act*

Our vision

The GasFields Commission board has captured those functions in the Commission's strategic plan 2018-2022 with the 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. Respectful and balanced relationships in the gas fields**
- 2. Effective stakeholder engagement**
- 3. Accurate information and data accessible to everyone**
- 4. A skilled workforce with a performance-based culture**

Details of the Commission's success at delivering against these objectives are reported under 'Our Performance'.

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.

Management of strategic risks	Our opportunities
Maintain our independence	Expand our online presence to communicate accurate information
Clearly communicate our role to assist in managing expectations as to what we do	Provide independent support to key stakeholders
Maintain respect, integrity and trust by engaging with clarity, consistency and timely responses	Utilise our engagement network to gather valuable information about stakeholder relationships in the gas fields
Ensure we have the technology and skills required to deliver our strategic objectives	Contribute to improved understanding and relationships in the gas fields

Our performance

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

Key performance outcomes for 2018-19 are outlined below.

STRATEGIC OBJECTIVE: Respectful and balanced relationships in the gas fields

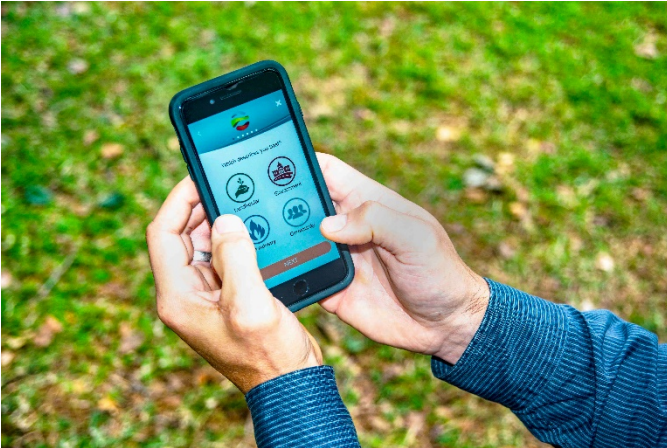
2018 sentiment survey

The Commission conducted an industry sentiment survey in November 2018.

Key findings included:

- At a total level, two in three people surveyed are aware of CSG (Total 67%, Metro 61%, Gas fields 70%, Pipeline 73%). At a total level, awareness of CSG has significantly increased from 58% in 2017 to 67% in 2018.
- There is a strong and consistent belief that CSG is important to Queensland, particularly amongst those living in gas field regions (Total, 63%, Metro 54%, Gas fields 75%, Pipeline 55%).
- Although perceived self-influence over CSG companies is low (Total 13%, Metro 8%, Gas fields 18%, Pipeline 15%), there is a belief that the influence of CSG activists is higher (Total 34%, Metro 40%, Gas fields 29%, Pipeline 33%).
- At a total level, three in ten people are aware of the GasFields Commission (Total 30%, Metro 23%, Gas fields 44%, Pipeline 18%).
- Perceived importance of having an organisation like GFCQ is very high level (Total 91%, Metro 89%, Gas fields 93%, Pipeline 93%).
- At a total level, three quarters believe it is worthwhile providing feedback to the GasFields Commission (Total 74%, Metro 74%, Gas fields 75%, Pipeline 73%).

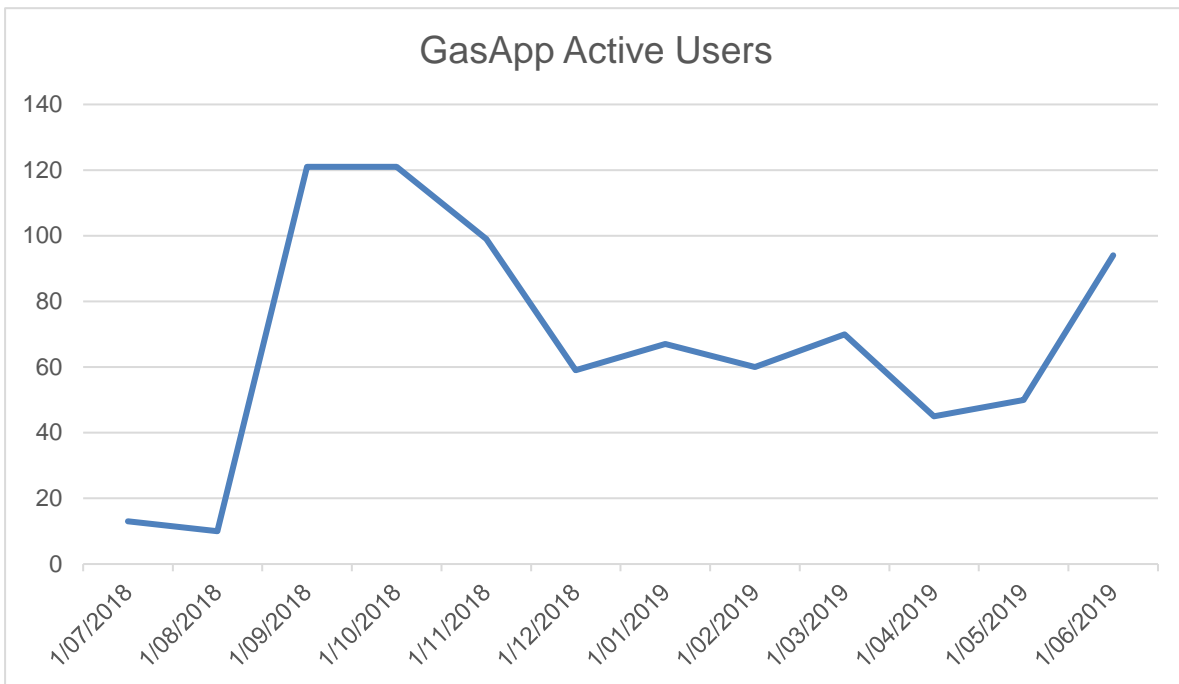
GasApp



The Commission launched the mobile application GasApp Aus in September 2018 and in the 2018/19 financial year it was downloaded on IOS and Andriod devices more than 650 times.

GasApp includes a compensation estimator, a comments function directed to the Department of Natural Resources, Mines and Energy, a push notification system for instant updates and a library of important information for stakeholders.

GasApp is an Australian first and clever use of new technology to make information more accessible and use the functionality of a phone to educate stakeholders on the key components of a compensation agreement which in turn helps to build respectful and balanced business relationships.



Trend in active users of GasApp in the 2018/19 financial year

The Gas Guide



The Gas Guide was published in May 2019 and it has been welcomed across industry as a standard in information sharing.

It pulls together 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.

It's the first time all the information has been compiled into one easy to read, updateable ring binder by an independent authority.

It is a customisable ready reckoner for everything gas in Queensland.

The guide is broken into 11 chapters including a roadmap that landholders can put up on the office wall to follow the various stages of gas development and find the information they need.

The guide is another Queensland first and at the end of the 2018/19 financial year was distributed to approximately 300 stakeholders with another print run planned.

STRATEGIC OBJECTIVE: Effective stakeholder engagement

Stakeholder Relationship Management

The Commission considers every engagement to be a form of consultation.

Every meeting, every workshop, every interaction is an opportunity for the Commission to collect feedback on the interaction between the gas industry and other stakeholders and apply that feedback to delivering the right support, when, where and how it is needed.

To collect that feedback, the Commission identified the need for a more accurate engagement reporting tool in late 2017 and launched a new Stakeholder Relationship Management (SRM) system in September 2018.

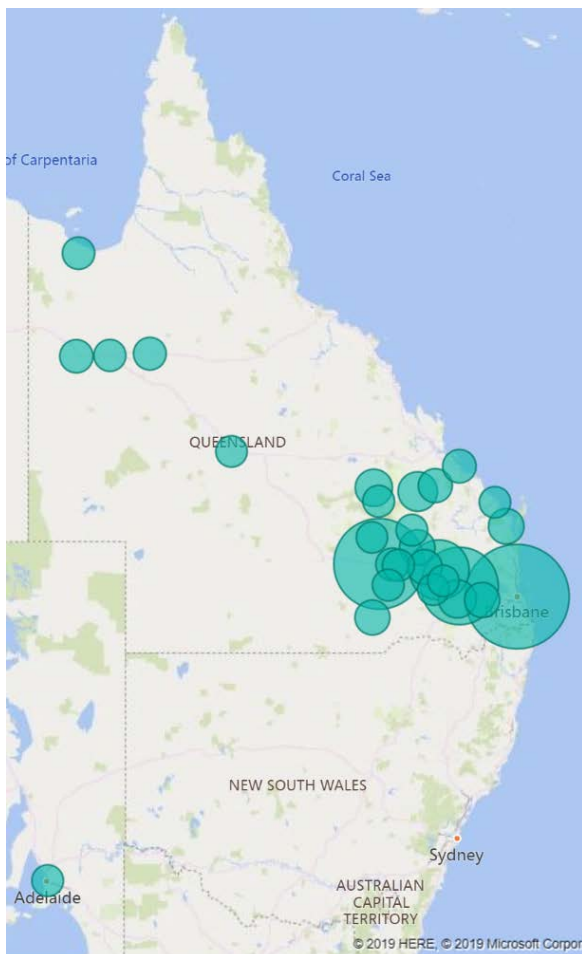
Prior to the SRM, stakeholder engagements were recorded manually and accurate collation of that data was difficult.

Since September 2018 the SRM recorded 239 cases (engagements) with 1,411 stakeholders.

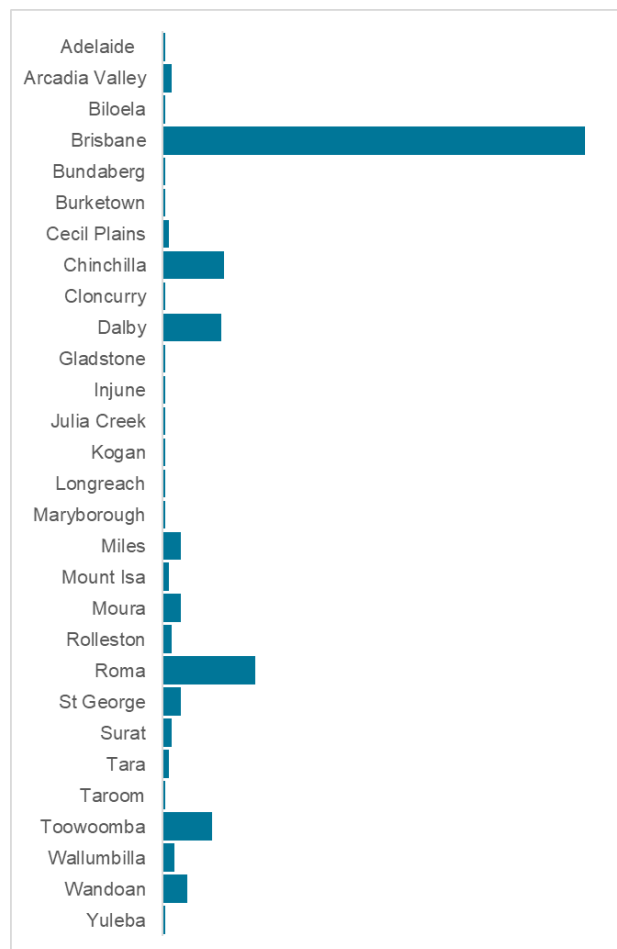
Manual reporting prior to the introduction of the SRM in 2018/19 captured a further 218 engagements with approximately 1,300 stakeholders.

The SRM generates a reporting dashboard to assist the Commission to target key issues, locations and stakeholders and develop workshops and information sessions to meet the demand.

A snapshot of the SRM data as at 30 June 2019 is outlined below. The high level of engagement in Brisbane is a reflection of the need for the Commission to engage regularly with government regulators, industry representative groups such as APPEA and AgForce and the head offices of gas companies.

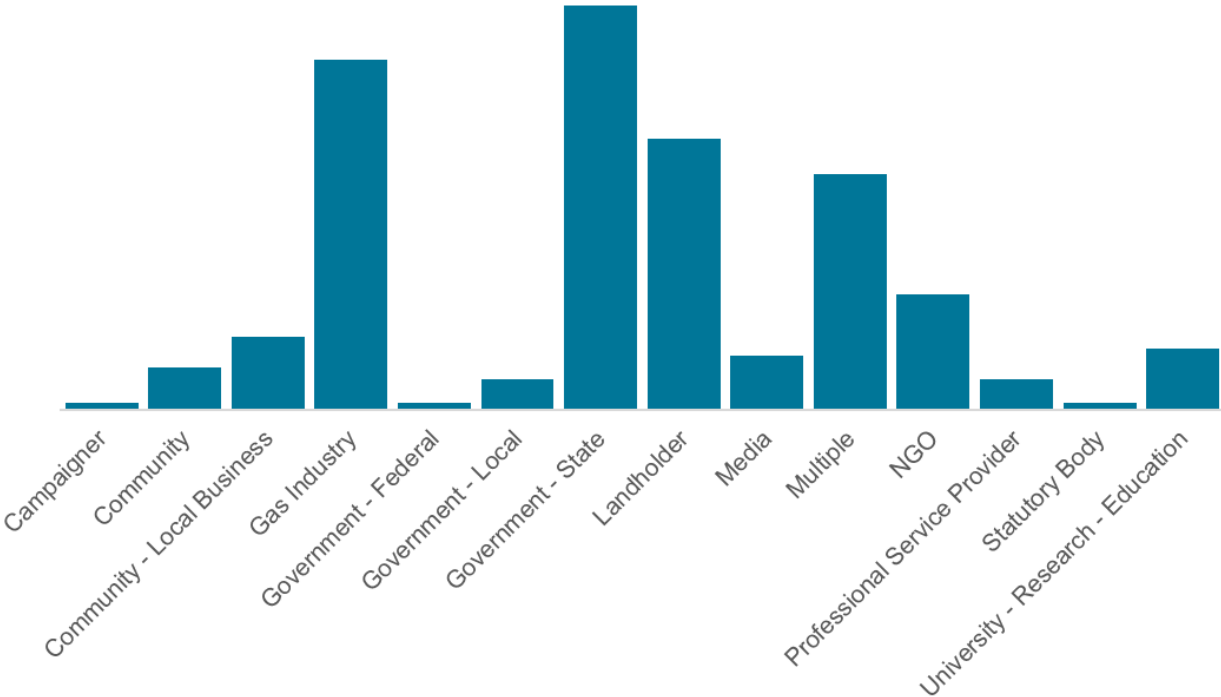


Engagement footprint in 2018/19



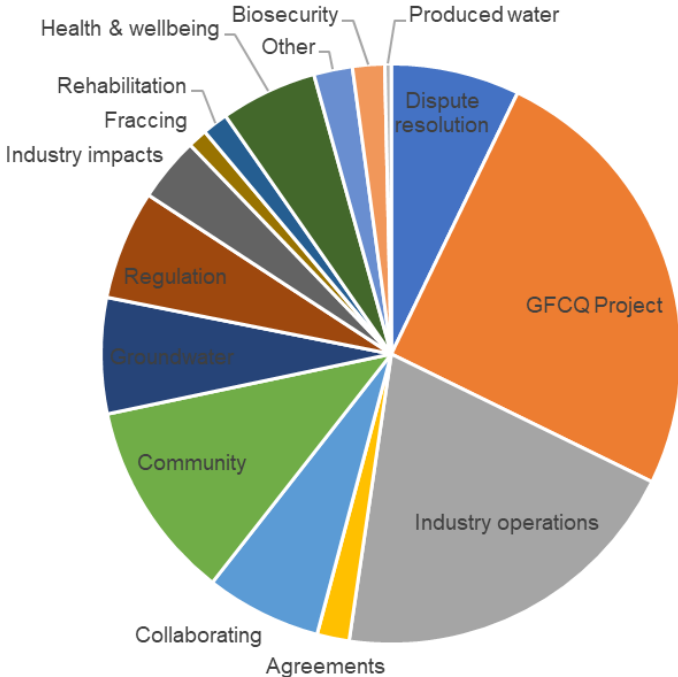
Volume of engagements in 2018/19

Throughout the reporting period, the Commission engaged with a range of stakeholder groups including the gas industry, landholders, community and government.



Types of stakeholders engaged with in 2018/19

The SRM also captures details of the subjects discussed with our stakeholders.



Subjects discussed in 2018/19

Landholder engagement and community workshops

The Commission places great importance on understanding the perspectives and experiences of landholders and other community members as a basis for developing information and support services in the areas that need it.

Many landholders have formed small groups bringing people with the same needs and interests together to discuss key issues relevant to them.

The Commission works with these groups to tailor information to support them through the various stages of gas development.

Biosecurity around major infrastructure

Following consultation with AgForce Queensland, Animal Health Australia and Biosecurity Queensland, the Commission held workshops for landholders on the topic of biosecurity around major infrastructure such as gas development.

These workshops were held throughout the 2018/19 financial year at Kogan, Chinchilla, Dalby, Lake Broadwater and Cecil Plains. The intent was to explain everyone's general biosecurity obligation under Queensland legislation, taking a risk-based approach and to provide a template for them to create a Biosecurity Management Plan to protect their properties and the environment.

From the attendees who provided formal feedback, all indicated that the workshop was informative, well-paced and the content was very relevant to them. 100% also indicated they would recommend others to attend.

About 70% of the attendees who didn't have a Biosecurity Management Plan prior to attending the workshop indicated that the workshop had provided useful information on developing one and how to work with the gas company to manage biosecurity risks.

Gas development and landholder compensation

Workshops were held for landholders about gas development and landholder compensation at Miles and Dalby in June 2019.

These workshops provided landholders with their own customised copy of The Gas Guide and demonstrated how to use the GasApp and its Compensation Estimator.

Feedback from these workshops showed that 100% of attendees found the workshop informative and would recommend others to attend.

Make good framework

Sessions were held in Dalby, Chinchilla and Wandoan to assist bore owners, professional advisers and industry understand how water supply bores that are, or are predicted to be, impaired by gas activity are managed.

The Commission explained the regulatory process and provided practical tools including checklists for bore assessments and a decision making table to enable a bore owner to determine if their water bore may be eligible for make good.

Options for dispute resolution

The Commission facilitated sessions in Dalby, Cecil Plains, St George, Chinchilla, Roma, and Moura during the reporting period on alternative dispute resolution options available to stakeholders involved in land access negotiations or living with a land access agreement.

Presenters from the Land Court, Office of the Land Access Ombudsman and Department of Natural Resources Mines and Energy explained the services available, who to contact and how to go about engaging professional advisers to assist in managing a negotiation.

This series of workshops has been well received and provides practical guidance to people directly involved in gas development.

Feedback from attendees indicated the information was invaluable to them as they work through land access and compensation discussions.

Other community events

Other community engagement activities held by the Commission in the 2018/19 financial year included:

- *Regional Planning Interests Act 2014* information session for strategic cropping landholders – included presentations from the Department of State Development, Manufacturing, Infrastructure and Planning
- *Maryborough cane growers and Bundaberg horticulturalists* information session to provide an overview of the petroleum and gas industry, phases of activity and regulatory process for exploration and development
- Pop-up office fronts held throughout Queensland's gas field communities
- Oil patch community education tours hosted at the Roma Big Rig

In addition, the Commission attended several community and business events presenting to audiences including MITEZ, Young Beef Producers, universities and chambers of commerce.

Engagement with gas companies

In the 2018/19 financial year, regular information sharing sessions were held with gas companies to provide updates on current GasFields Commission projects and initiatives, including our workshops with landholders and the community.

These sessions were held with Arrow Energy, Origin Energy, Shell QGC, Santos and Senex Energy.

Feedback was positive and some gas company representatives had expressed their desire to collaborate with us on sharing relevant information to their landholders in future.

In December 2018, the Commission established a Quarterly Industry Forum to meet with the oil and gas industry's peak body, APPEA, and gas company representatives.

These forums provide the opportunity for gas companies to brief the Commission on their operations as well as enabling the Commission to brief gas companies on upcoming engagement activities and educational material.

In addition, the Commission attends community committees and information sessions held by the industry to keep abreast of planned developments and listen to stakeholder perspectives,

The Commission also participated and presented at the inaugural APPEA land access forum in Dalby in March 2019.

Collaborative stakeholder engagement with government

The Commission has developed a Memorandum of Understanding (MOU) with the Department of Natural Resources, Mines and Energy (DNRME) which was fully executed in March 2019.

The MOU sets out the respective responsibilities of the Commission and DNRME in providing information and responding to enquiries from landholders, regional communities, gas companies and the general public about the onshore gas industry in Queensland.

The Commission coordinates engagement activities with DNRME to ensure clear and consistent information is provided to our shared stakeholders.

In the 2018/19 financial year, the Commission supported the following DNRME-led engagement activities by attending, presenting and providing input into discussions:

- Queensland Exploration Program information sessions in Rolleston and Orion
- Groundwater Net information sessions in Chinchilla and Cecil Plains
- Resource Community information sessions in Biloela and Gladstone

Other collaborative engagement efforts throughout the 2018/19 financial year included landholder workshops on the draft residual risk framework in Dalby and Wandoan with the Department of Environment and Science .

STRATEGIC OBJECTIVE: Accurate information and data accessible to everyone

Data collection

The Commission has built positive working relationships with government agencies and the gas industry to obtain a comprehensive suite of data about the onshore gas industry for the Commission's publications.

The purpose of obtaining these datasets from government and industry is to improve transparency and address specific questions the community has about the onshore gas industry in Queensland.

Data was sourced in the 2018/19 financial year from a wide variety of organisations including industry, government, research organisations and the Commission's own data base collection program.

All data published by the GasFields Commission is independently verified by its own internal research and policy unit.

Recommendations to government

As previously detailed, the GasFields Commission developed and released the phone based GasApp Aus in September 2018.

GasApp was developed as a best practice tool for landholders, the gas industry and other stakeholders to share information, provide an avenue for complaints and educate landholders on the information required to successfully negotiate a conduct and compensation agreement.

Following an extensive consultation process, GasApp is now linked directly to the Department of Natural Resources, Mines and Energy with app users able to submit observations, comments and complaints directly to the department through a comments function.

Policy submissions

The Commission has been actively engaged in the development of a range of policies related to the onshore gas industry and the communities it operates in.

During the 2018/19 financial year period, the Commission made submissions and recommendations to government on policy including:

- COAG Energy Council's Gas Supply Strategy Implementation Plan
- Queensland Treasury's Managing Residual Risks in Queensland Discussion Paper
- Queensland Department of Natural Resources, Mines and Energy's Resources Legislation Amendment Regulation 2019 and Associated Documents Consultation Drafts
- Office of Groundwater Impact Assessment's: Underground Water Impact Report for the Surat Cumulative Management Area 2019 Consultation Draft
- Queensland Department of Environment and Science's Baseline and Bore Assessment Outcome Forms

Balancing the interests of rural landholders, regional communities and the onshore gas industry has been at the centre of the Commission's policy submissions and recommendations to government.

While some recommendations sought to ensure that rural landholders weren't disadvantaged by proposed policies, other recommendations aimed at reducing unnecessary red tape for the onshore gas industry.

To assist the Queensland Government to ensure broad consultation with key stakeholders on the Managing Residual Risks in Queensland Discussion Paper, the Commission facilitated consultation sessions in the regional centres of Dalby and Wandoan with groups of rural landholders and community leaders.

By creating the opportunity to meet with this critical group of stakeholders, the Queensland Government received valuable information and local intelligence that has significantly contributed to policy development in relation to residual risk.

The Commission also participated in the government's Residual Risk Cost Estimation Workshop which enabled the Commission to share landholder insights with other key stakeholders.

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 five Regional Interests Development Approval applications in relation to onshore gas developments in regional Queensland.

Stakeholder tools and information

During the 2018/19 financial year reporting period, the Commission published the following tools and information to assist landholders and gas companies navigate complex regulatory frameworks:

- Make Good process flow chart
- Make Good Agreement decision table
- Bore Assessment checklist
- Baseline Assessment checklist
- Bespoke maps and tenure information

These tools were distributed to our stakeholder via our various engagement and communication channels.

Communication channels

Our stakeholders come from a mix of backgrounds, locations and demographics. In order to meet the needs of all our stakeholders we are committed to tailoring our communication and engagement techniques.

We have developed a wide range of mediums for people to be able to access accurate and up to date information.

In the 2018/19 financial year, the GasFields Commission made good use of the following channels of communication to reach our varied audience:

- Face-to-face engagement via regional workshops, meetings and information sessions
- Distribution of hard copy information such as The Gas Guide, assessment checklists and biosecurity templates
- Online communication via our website and social media channels (see analytics below)
- Targeted notifications via the mobile application GasApp (see more GasApp audience analytics below)

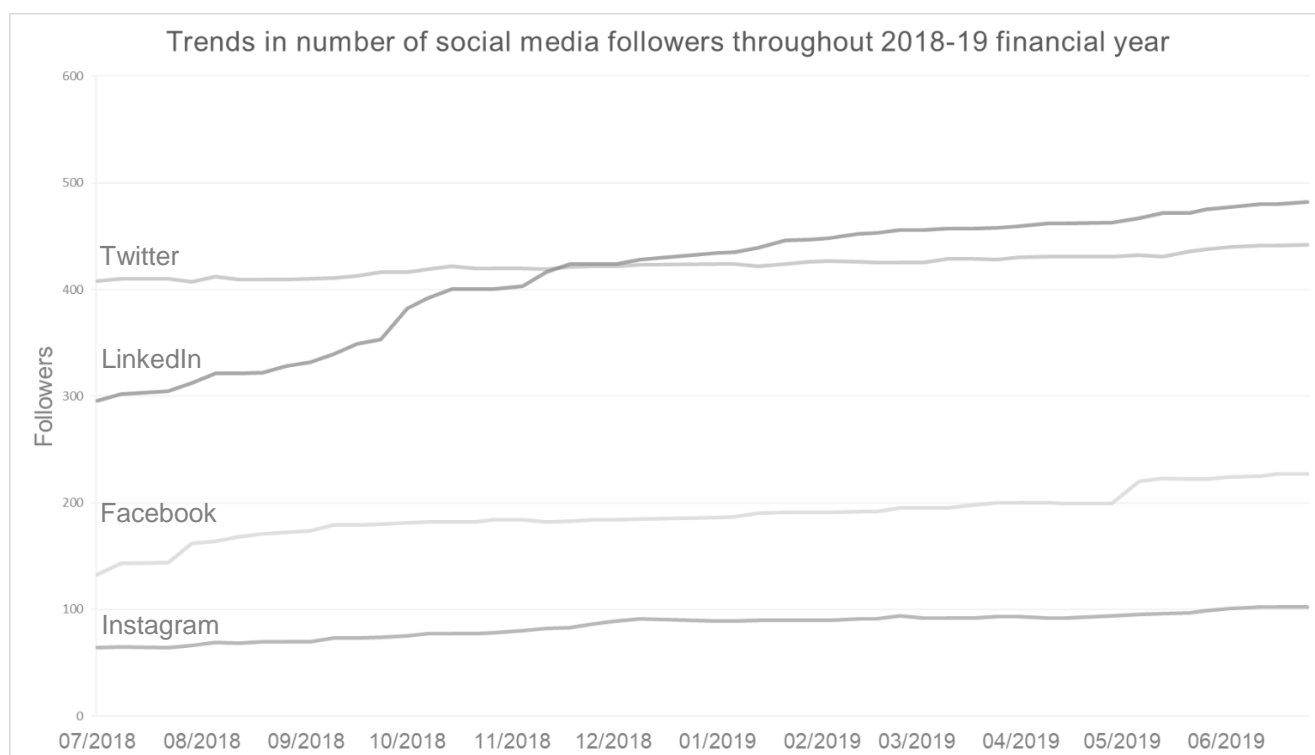
All of our communications are based on fact, latest science and expert advice. The Commission avoids communicating opinions however does interpret complex legislation to provide best practice advice as required.

Social media analytics

The following table outlines the social media channels maintained by the GasFields Commission along with their impression analytics for the reporting period.

Channel	Impression in 2018/19
Twitter	137,500 impressions or 376 per day
Facebook	28,835 impressions or 79 per day*
LinkedIn	48,647 impressions or 133 per day
Instagram	Analytics unavailable
YouTube	21 videos were viewed 10,894 times or 30 views per day either directly on YouTube or channelled via Facebook

*Facebook Business page analytics for 2018/19 are incomplete due to a Facebook program update



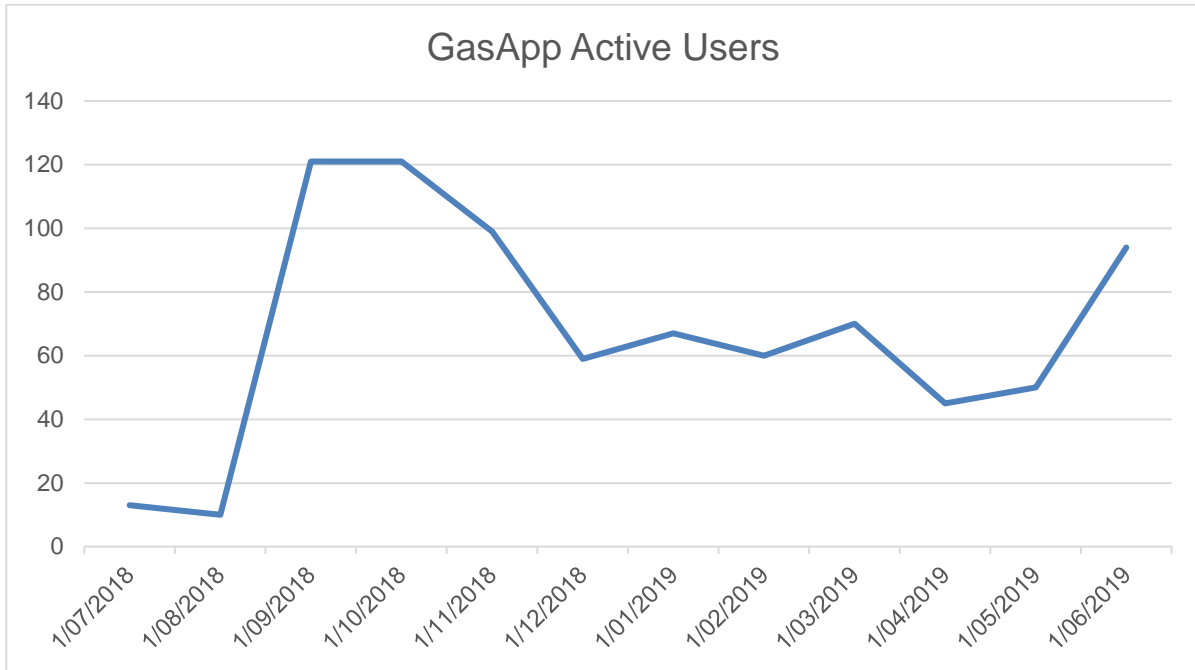
Website analytics

During the reporting period the GasFields Commission’s public website - www.gasfieldscommissionqld.org.au – attracted 28,776 page views which equates to 79 page views per day.

GasApp

GasApp Aus was launched in September 2018 and has been downloaded on IOS and Andriod devices more than 600 times.

During the 2018/19 financial year, the Commission sent out approximately 70 push notifications via GasApp to targeted users of the app.

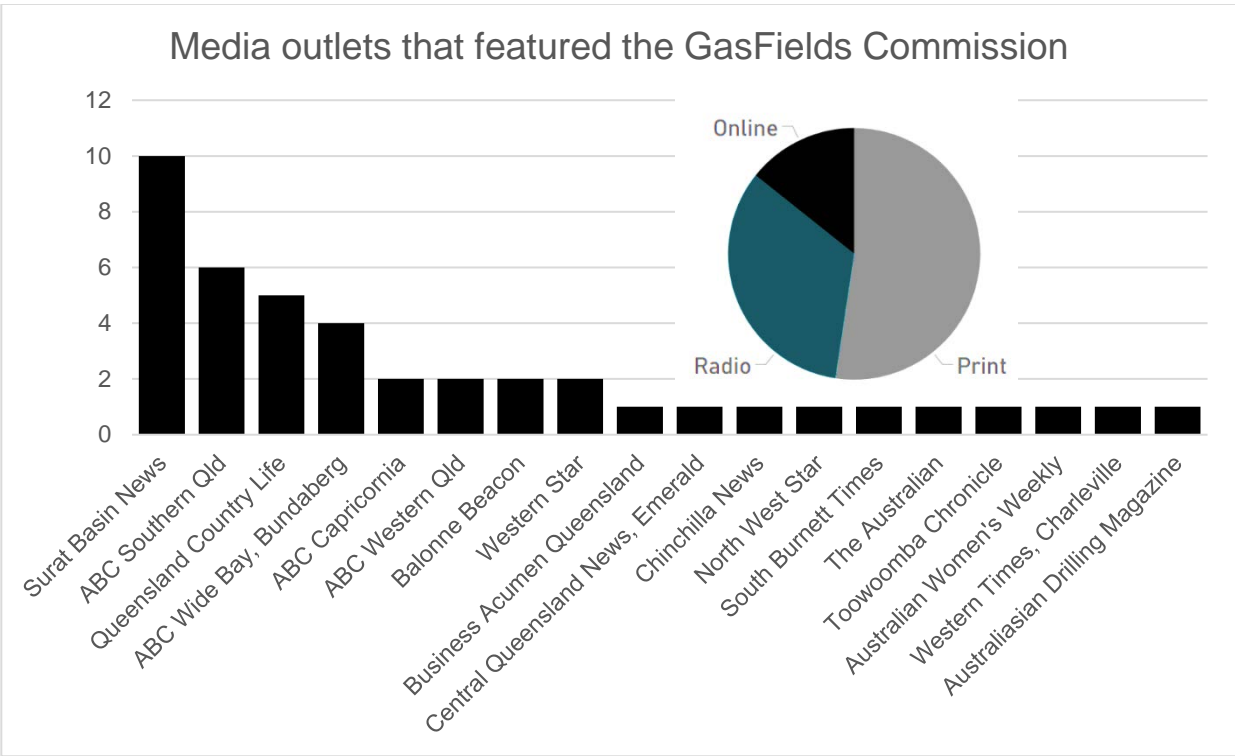
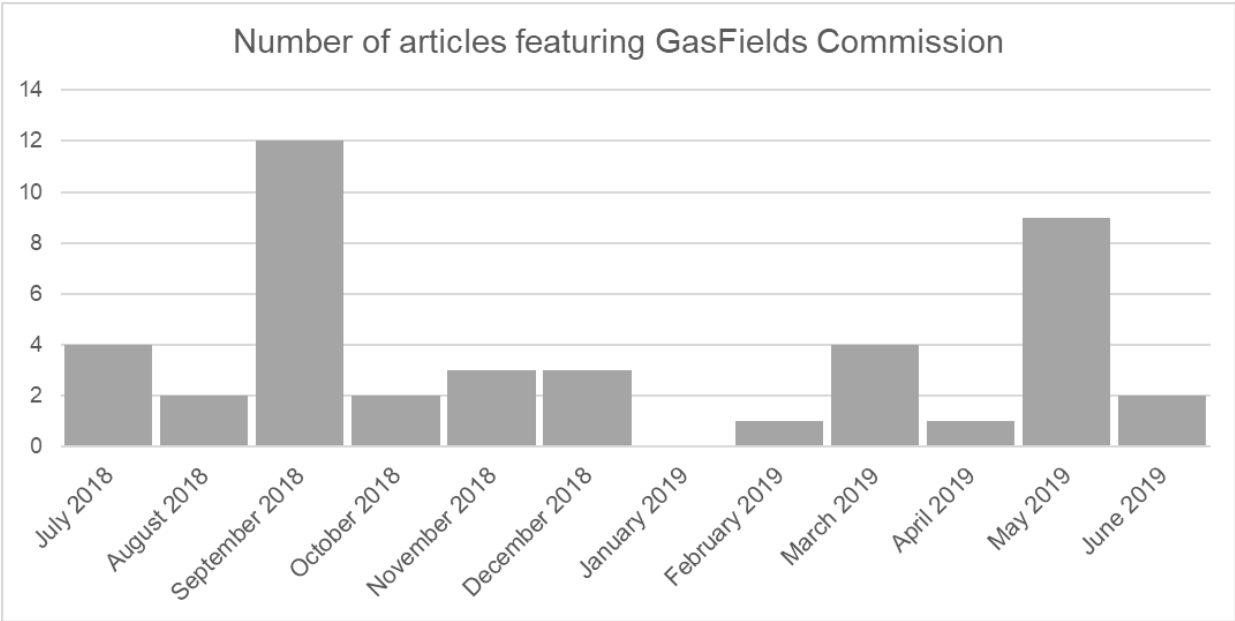


Traditional media

Traditional media coverage of the GasFields Commission reached an audience of more than 200,000 people in the 2018/19 financial year.

Free coverage of the Commission in traditional media during the 2018/19 financial year equated to an editorial value of \$126,963.79

Readership of printed and online articles featuring the Commission in the 2018/19 financial year was 8,691,000 people (as stated by Isentia and/or individual media outlets).



STRATEGIC OBJECTIVE: A skilled workforce with a performance-based culture

For the majority of the reporting period, the GasFields Commission operated with a small staff of just 10 with a variety of specialised skills.

The high performance of that team is captured earlier in this report with engagement, communications and data collection features of the teamwork fostered at the Commission.

To maintain and build on that performance the Commission has implemented several key initiatives in the 2018/19 financial year including -

- a new operational plan to integrate and streamline deliverables and responsibilities across the organisation
- improvements to information and communications technology implementing stakeholder management system, enhancement of recordkeeping software, telecommunications and videoconferencing facility for effective communication with regional staff and remote stakeholders
- adapted and implemented new corporate card reporting system
- enhanced staff information dashboard, and workplace health and safety dashboard
- held an information session on Employment Assistance Program to enhance personal and professional growth
- progressed alignment of organisational structure and capability to support the Commissions strategic direction
- updated technology for in-field photo backup, manipulation and publishing

Professional development was supported through:

- networking events
- technical presentations and workshops for gas and agribusiness sectors
- Mediation training provided to engagement staff to enhance skills in managing conflict and remaining impartial
- training in Google AdWords, Dynamics, In Design, Power BI, Promaster and Photoshop
- reviewed performance and professional development agreements
- an annual team building exercise providing professional, personal and development opportunities

Continued workplace wellness was further supported through:

- annual incident response training
- a revised workplace health and safety policy and management plan to ensure health, safety and wellbeing of all and compliance with legislative responsibilities
- implementation of a safe travel policy and electronic check-in procedure for staff driving long distances
- leased ANCAP rated fleet vehicle equipped with safety features for regional staff

The Commission worked closely with the Queensland Audit Office and Corporate Administration Agency throughout the year to ensure financial statements were accurate.

The Commission also reviewed corporate policies, procedures, guidelines and budget submissions.

Future priorities

The GasFields Commission's strategic priorities for 2019-20 are focussed on building on the work already done to deliver 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 2019-20 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 responsive government** by:

- publishing comprehensive data and information on trends in the petroleum and gas industry and agricultural sector
- providing practical tools to facilitate access to land and address the information asymmetry 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
- using advanced technology and digital communication to make key industry information and data readily and easily accessible

Specific key priorities for our 2019-20 service delivery include:

- developing a stocktake of mental health awareness information, services and training to better inform stakeholders about the resources currently available
- delivering information sessions and technical workshops on biosecurity, dispute resolution, land access agreements, compensation, make good framework, negotiation, rehabilitation and legislative requirements
- extending the communication and engagement program in established and emerging gas development areas to inform and equip regional communities
- collecting, collating, analysing and interpreting relevant data, evaluating trends and presenting this information in widely accessible formats

Our people

The Commission employed nine (9) staff members as at 30 June 2019, equivalent to 8.8 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 18%.

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 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, 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 opportunities).

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.

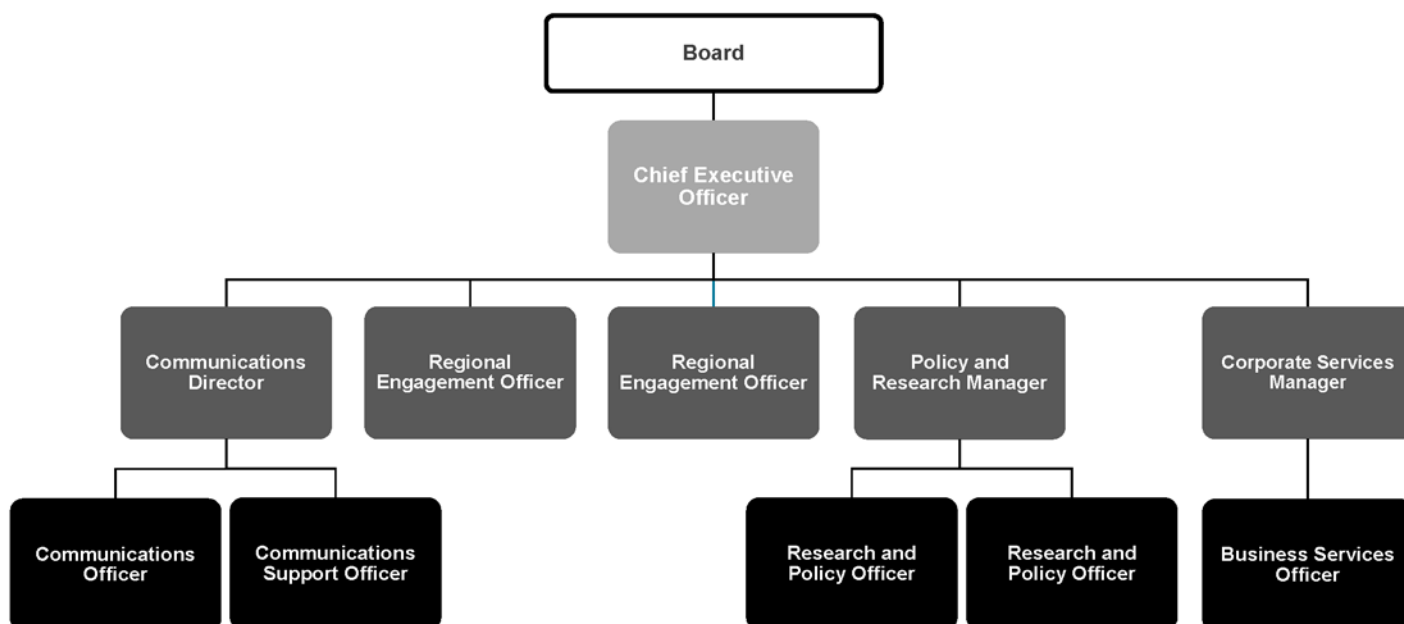
The Chief Executive Officer manages any workplace complaints, investigations and WorkCover claims that may arise. Investigations may be outsourced where specialist knowledge or skills are required, or where there may be a perceived conflict of interest.

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 2018-19 reporting period.

Organisational structure



The Commission

Ian Langdon, Chair

GasFields Commission 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 and 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 the South Australia, Victoria, NSW and Qld, 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)

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 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 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.

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

With qualifications in science, Ms 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 DURING 2018/19

6 meetings including 1 out of session meeting:

- 20/07/2018, Roma
- 30/08/2018, Teleconference (Out of Session)
- 24/09/2018, Brisbane
- 26/11/2018, Brisbane
- 23/01/2019, Brisbane
- 13/03/2019, Brisbane

Community Leaders Council

Section 29 of 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 in Brisbane during the 2018-19 reporting period. Topics of discussion included alternative dispute resolution, the GasApp, changes to MWOLA legislation changes, the Land Court of Queensland, information services for landholders and a Q & A session facilitated by CEO Carolyn Collins.

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 2018-19, the Commission made a number of improvements to its information systems, including:

- the implementation 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

- the continued development of a Customer Relationship Management system which enables staff, including regional engagement officers, to capture records remotely and effectively analyse Commission data
- the continued development of the Commission's records management system (SharePoint) to the modern experience to enhance information security, performance and information accessibility.

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 \$2.876 million, with the major items of expenditure being employee expenses (\$1.601 million) and supplies and services including travel to support increased regional engagement activities, contractor services, and corporate service level agreements (\$1.235 million).

The Commission received an unqualified audit report from the Auditor General confirming the Commission's financial statements are a true and accurate reflection of the Commission's transactions for the financial year 2018-19.

Comparison of budget and actual results

In 2018-19, the Minister approved a funding increase of \$0.400 million, in addition to the Commission's annual grant of \$2.500 million and accumulated cash reserves (\$0.478 million), to assist in the implementation of key Government recommendations arising from the Independent Review of the GasFields Commission.

The expansion of the Commission's extensive communications and engagement program and increased regional presence, has enabled the Commission to effectively deliver on strategic objectives as a result of the Independent Review, however recurrent costs have increased as a result.

The financial surplus was a result of changes in establishment and project timing to ensure adequate funding for 2019-20. The table below compares budget and actual results.

	2018-19 Actual \$'000	2018-19 Budget \$'000	Variance \$'000
State Government Grant	2,900	2,900	-
Other Revenue	62	62	-
Draw down from cash reserves	-	478	478
Operating Result from Continued Operations	(86)	-	(86)
Total Revenue	2,876	3,440	(564)
Employee Expenses	1,601	1,820	219
Supplies and Services	1,235	1,580	345
Other Expenses	40	40	-
Total Expenditure	2,876	3,440	564
<i>State Government Grant/Total</i>			99.98%
<i>Employee Expenses/Total Expenditure</i>			55.66%



Gasfields Commission Queensland Financial Statements

for the year ended 30 June 2019

Gasfields Commission Queensland Financial Statements 2018-19

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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 2019

	Notes	2019 \$'000	2018 \$'000
OPERATING RESULT			
Income from Continuing Operations			
Grants and other contributions	2	2,900	2,500
Interest		43	38
Gains			
Gains on sale of plant and equipment		19	-
Total Income from Continuing Operations		2,962	2,538
Expenses from Continuing Operations			
Employee expenses	3	1,601	1,752
Supplies and services	6	1,235	1,237
Depreciation		2	13
Other expenses		38	37
Total Expenses from Continuing Operations		2,876	3,039
Operating Result from Continuing Operations		86	(501)
Total Comprehensive Income		86	(501)

The accompanying notes form part of these statements.

Gasfields Commission Queensland

Statement of Financial Position as at 30 June 2019

	Notes	2019 \$'000	2018 \$'000
Current Assets			
Cash and cash equivalents	7	760	646
Receivables		29	27
Other current assets		25	10
		<hr/>	<hr/>
Total Current Assets		814	683
		<hr/>	<hr/>
Non Current Assets			
Plant and equipment	8	14	38
		<hr/>	<hr/>
Total Non Current Assets		14	38
		<hr/>	<hr/>
Total Assets		828	721
		<hr/>	<hr/>
Current Liabilities			
Payables			
Finance lease - current	9	104	79
Accrued employee benefits	10	-	32
		160	132
		<hr/>	<hr/>
Total Current Liabilities		264	243
		<hr/>	<hr/>
Total Liabilities		264	243
		<hr/>	<hr/>
Net Assets		564	478
		<hr/>	<hr/>
Equity			
Accumulated surplus		564	478
		<hr/>	<hr/>
Total Equity		564	478
		<hr/>	<hr/>

The accompanying notes form part of these statements.

Gasfields Commission Queensland

Statement of Changes in Equity for the year ended 30 June 2019

	Accumulated Surplus \$'000
Balance as at 1 July 2017	979
Operating Result from Continuing Operations	(501)
Balance as at 30 June 2018	<u>478</u>
Balance as at 1 July 2018	478
Operating Result from Continuing Operations	86
Balance as at 30 June 2019	<u>564</u>

The accompanying notes form part of these statements.

Gasfields Commission Queensland

Statement of Cash Flows for the year ended 30 June 2019

	2019 \$'000	2018 \$'000
Cash flows from operating activities		
<i>Inflows:</i>		
Service Appropriation Receipts	2,900	2,500
GST input tax credits from ATO	27	29
Other	43	38
<i>Outflows:</i>		
Employee expenses	(1,573)	(1,703)
Supplies and services	(1,210)	(1,315)
GST paid to suppliers	(29)	(14)
Other	(53)	(39)
Net cash provided by (used in) operating activities	105	(504)
Cash flows from investing activities		
<i>Inflows:</i>		
Sale of property, plant and equipment	41	-
<i>Outflows:</i>		
Payments for property, plant and equipment	-	(6)
Net cash provided by (used in) investing activities	41	(6)
Cash flows from financing activities		
<i>Outflows:</i>		
Lease payments	(32)	(13)
Net cash (used in) financing activities	(32)	(13)
Net increase (decrease) in cash and cash equivalents	114	(523)
Cash and cash equivalents at beginning of financial year	646	1,169
Cash and cash equivalents at end of financial year	760	646

The accompanying notes form part of these statements.

Gasfields Commission Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19

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

Gasfields Commission Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19

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 2018.

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 2018-19

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 ATO, 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 2017-18 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 2018-19. Australian accounting standard changes applicable for the first time for 2018-19 have had minimal effect on the Commission's financial statements.

No Australian Accounting Standards have been early adopted for 2018-19.

First time mandatory application of Australian Accounting Standards and Interpretations

No Australian Accounting Standards or Interpretations have been applied for the first time in 2018-19.

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 2018-19

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

Impact for Lessees

Under AASB 16, the majority of operating leases (as defined by the current AASB 117 and shown at Note 11) will be reported on the statement of financial position as right-of-use assets and lease liabilities.

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.

Outcome of review as lessee

The Commission has completed its review of the impact of adoption of AASB 16 on the statement of financial position and statement of comprehensive income and has identified the following major impacts which are outlined below.

During the 2018/19 financial year, the Commission held operating leases under AASB 117 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 \$185,168 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. From 2019-20 onwards, 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. From 2019-20 onward, 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 2018-19

	2019 \$'000	2018 \$'000
2. Grants and Other Contributions		
Contributions from Government	2,900	2,500
Total	2,900	2,500

Accounting Policy

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.

3. Employee Expenses

Employee Benefits

Wages and salaries	1,136	1,312
Employer superannuation contributions	142	157
Annual leave expense	121	121
Long service leave levy	26	29

Employee Related Expenses

Payroll tax	65	74
Other employee related expenses	111	59

Total

1,601	1,752
-------	-------

2019	2018
------	------

Number of employees:

8.8	11
-----	----

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.

Gasfields Commission Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19

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 2018-19. 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 2018-19

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

Remuneration Expenses

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	0	282
Chair (to 1 May 2019)	12	0	0	1	0	13
Chair (from 10 June 2019)	2	0	0	0	0	2
Commissioner	5	0	0	0	0	5
Commissioner	7	0	0	1	0	8
Commissioner	6	0	0	1	0	7
Total Remuneration	275	8	5	29	0	317

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

Gasfields Commission Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19

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 \$112,612.41 for the 2019 year (2018: \$64,059.59) to provide services relating to ICT including information security technical advice, Information Security Management System development and database development.

6. Supplies and Services

	2019 \$'000	2018 \$'000
Contractors	531	554
Corporate service charges	354	336
Travel	100	104
Repairs and maintenance	61	53
Minor plant and equipment	9	52
Motor Vehicle	53	30
Stakeholder Engagement	5	38
Administration costs	27	36
Communications	16	33
Advertising and promotion	79	1
Total	1,235	1,237

7. Cash and Cash Equivalents

Cash at bank	760	646
Total	760	646

Accounting Policy

Cash and Cash Equivalents include all cash and cheques received 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	17	74
Less: accumulated depreciation plant and equipment	(3)	(36)
Carrying amount at 30 June	14	38

Represented by movements in carrying amount

Plant and Equipment reconciliation

Carrying amount at 1 July	38	45
Acquisitions	10	6
Disposals	(32)	-
Depreciation for period	(2)	(13)
Carrying amount at 30 June	14	38

Gasfields Commission Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19

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:

Class	Rate
Plant and equipment	20%

9. Payables

	2019	2018
	\$'000	\$'000
Trade and other creditors	50	68
Accruals	54	11
	<hr/>	<hr/>
Total	104	79
	<hr/>	<hr/>

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.

Gasfields Commission Queensland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19

10. Accrued Employee Benefits

	2019 \$'000	2018 \$'000
<i>Current</i>		
Provision for annual leave	122	90
Salary and wages payable	20	22
Accrued leave loading	9	10
Long service leave levy payable	6	7
Superannuation payable	3	3
	<hr/>	<hr/>
Total	160	132
	<hr/>	<hr/>

11. Commitments for Expenditure

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

Not later than one year	192	184
Later than one year and not later than five years	324	516
	<hr/>	<hr/>
Total	516	700
	<hr/>	<hr/>

12. Contingencies

There are no legal or any other contingencies that are known to the Commission at 30 June 2019.

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 2019.

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 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 2019 and of the financial position of the Commission at the end of that year; and

We acknowledge responsibility under section 8 and section 15 of the *Financial and Performance Management Standard 2009* 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.



Ian Langdon
Chair
Gasfields Commission Queensland



Carolyn Collins
CEO
Gasfields Commission Queensland

Date: 30 August 2019

Date: 30 August 2019

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 2019, 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 2019, 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 2019:

- 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

30 August 2019

Queensland Audit Office
Brisbane

Compliance Checklist (template)

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	Pg ii
Accessibility	<ul style="list-style-type: none"> Table of contents Glossary 	ARRs – section 9.1	Pg iii
	<ul style="list-style-type: none"> Public availability 	ARRs – section 9.2	Pg i
	<ul style="list-style-type: none"> Interpreter service statement 	Queensland Government Language Services Policy ARRs – section 9.3	Pg i
	<ul style="list-style-type: none"> Copyright notice 	Copyright Act 1968 ARRs – section 9.4	Pg i
	<ul style="list-style-type: none"> Information Licensing 	QGEA – Information Licensing ARRs – section 9.5	Pg i
General information	<ul style="list-style-type: none"> Introductory Information 	ARRs – section 10.1	Pg 4
	<ul style="list-style-type: none"> Machinery of Government changes 	ARRs – section 10.2, 31 and 32	(if applicable)
	<ul style="list-style-type: none"> Agency role and main functions 	ARRs – section 10.2	Pg 8
	<ul style="list-style-type: none"> Operating environment 	ARRs – section 10.3	Pg 9
Non-financial performance	<ul style="list-style-type: none"> Government's objectives for the community 	ARRs – section 11.1	Pg 24
	<ul style="list-style-type: none"> Other whole-of-government plans / specific initiatives 	ARRs – section 11.2	Pg 24
	<ul style="list-style-type: none"> Agency objectives and performance indicators 	ARRs – section 11.3	Pg 10
	<ul style="list-style-type: none"> Agency service areas and service standards 	ARRs – section 11.4	
Financial performance	<ul style="list-style-type: none"> Summary of financial performance 	ARRs – section 12.1	Pg 31
Governance – management and structure	<ul style="list-style-type: none"> Organisational structure 	ARRs – section 13.1	Pg 27
	<ul style="list-style-type: none"> Executive management 	ARRs – section 13.2	Pg 28
	<ul style="list-style-type: none"> Government bodies (statutory bodies and other entities) 	ARRs – section 13.3	
	<ul style="list-style-type: none"> Public Sector Ethics Act 1994 	Public Sector Ethics Act 1994 ARRs – section 13.4	Pg 30
	<ul style="list-style-type: none"> Queensland public service values 	ARRs – section 13.5	Pg 30
Governance – risk management and accountability	<ul style="list-style-type: none"> Risk management 	ARRs – section 14.1	Pg 29
	<ul style="list-style-type: none"> Audit committee 	ARRs – section 14.2	
	<ul style="list-style-type: none"> Internal audit 	ARRs – section 14.3	
	<ul style="list-style-type: none"> External scrutiny 	ARRs – section 14.4	
	<ul style="list-style-type: none"> Information systems and recordkeeping 	ARRs – section 14.5	Pg 29

Summary of requirement		Basis for requirement	Annual report reference
Governance – human resources	• Strategic workforce planning and performance	ARRs – section 15.1	Pg 25
	• Early retirement, redundancy and retrenchment	Directive No.04/18 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2	Pg 26
Open Data	• Statement advising publication of information	ARRs – section 16	Pg i
	• 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	Pg 48
	• Independent Auditor’s Report	FAA – section 62 FPMS – section 50 ARRs – section 17.2	Pg 49

FAA *Financial Accountability Act 2009*

FPMS *Financial and Performance Management Standard 2009*

ARRs *Annual report requirements for Queensland Government agencies*