

Queensland
Competition
Authority

2016–17

ANNUAL REPORT

2016–17

A N N U A L R E P O R T

C O N T E N T

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H I G H L I G H T S

The body of work we completed this year includes:

- a final determination of regulated retail electricity prices (notified prices) for 2017–18 in regional Queensland (page 10)
- a final decision on the 2014 amended draft access undertaking submitted by Aurizon Network (page 13)
- a final decision on the Queensland Rail 2015 draft access undertaking (page 11)
- a final decision on DBCT Management's 2015 amended draft access undertaking (page 11)

THE QCA

The Queensland Competition Authority (QCA) is an independent statutory body, established in 1997 to promote competition as the basis for enhancing efficiency and growth in the Queensland economy.

Our primary role is to ensure monopoly businesses operating in Queensland, particularly in the provision of key infrastructure, do not abuse their market power through unfair pricing or restrictive access arrangements.

Economic context

We are responsible for regulating the market behaviour of many monopoly businesses in Queensland.

In a competitive market, a business is constrained by its competitors in the prices it can charge for goods or services. If too high a price is charged, consumers are likely to buy from a competitor at a lower price. Alternatively, if the business is the only supplier and charges too high a price, a competitor will likely enter the market offering a lower, but still profitable, price.

However, it is not always possible or sensible to have competition in the provision of essential services such as large-scale infrastructure that requires significant capital investment. This is because there may only be one possible supplier (e.g. there may be only one possible site for a dam) or it may not be economic to have more than one supplier (e.g. the costs of constructing a new electricity distribution system would simply outweigh the benefits from having competing networks).

In these cases, there may be limited, if any, competitive forces to constrain the behaviour of the business, especially in the provision of energy, transport or water infrastructure.

Our role is to put in place arrangements to prevent the abuse of market power that may arise from a lack of competition.

Responsibilities

The *Queensland Competition Authority Act 1997* (the QCA Act) is the legislation that guides our work.

Monopoly prices oversight

We use pricing and other regulatory arrangements, based on sound economic and commercial principles, to encourage monopoly businesses to operate responsibly in the absence of normal competitive market forces.

Prices oversight prevents monopoly businesses from abusing their market power by charging excessive prices for their products or services.

Where we oversee monopoly prices, consumers can therefore pay market prices, while businesses can still earn a reasonable investment return—a beneficial outcome for all.

We may investigate the pricing practices of such monopolies or monitor their pricing practices, depending on the referral from the Minister responsible for administering the QCA Act (at present the Treasurer and Minister for Trade and Investment). We only perform these functions on request from the Minister.

Third party access

Essential infrastructure that underpins economic activity should be accessible to all potential users.

We regulate third party access to essential infrastructure so as to support competition by enabling competitors (i.e. 'third parties') to access infrastructure which cannot be economically duplicated, such as water storage and distribution systems, rail tracks and ports. As an example, in the Queensland rail sector, we ensure track owned by Aurizon Holdings may also be used by other train operators. This provides customers, such as coal miners, with options regarding the haulage of their product.

By opening up access, competition is enhanced in related markets.

General issues

Apart from the specific responsibilities outlined above, we have a range of general responsibilities. In particular, under section 10(e) of the QCA Act, Ministers can direct us to investigate and report on matters relating to competition and industry.

Responsibilities outside the QCA Act

Our responsibilities, in addition to those under the QCA Act, include:

- setting retail electricity prices under the *Electricity Act 1994* (the Electricity Act)
- enforcing customer protections under the Electricity Distribution Network Code and the Gas Distribution Network Code

Industry

In undertaking our roles, we work with stakeholders in the electricity, water, rail, ports and gas industries.

OUR BOARD

Our board comprises three members, who are appointed by the Governor in Council, in accordance with the QCA Act. In appointing members, regard is given to their collective knowledge and understanding of commerce, economics, the responsibilities of the QCA, and the interests of consumers and other stakeholders. Board members are appointed for a term of not more than five years.

CHAIR

PROFESSOR ROY GREEN



Appointment: June 2015—June 2018

Professor Roy Green is Dean of the UTS Business School at the University of Technology Sydney. He graduated with first class honours from the University of Adelaide and has a PhD in Economics from the University of Cambridge. He has worked in universities, business and government, published widely in the areas of innovation policy and management, and undertaken multi-country projects with the OECD and European Commission. Professor Green chaired the Australian Government's Innovative Regions Centre, CSIRO Manufacturing Sector Advisory Council and NSW Manufacturing Council. Most recently, he has contributed to publications on productivity, skills and digital transformation, including a Senate report on Australia's national innovation system.

DEPUTY CHAIRMAN

PROFESSOR FLAVIO MENEZES



Appointment: April 2016—April 2019

Flavio Menezes is a Professor of Economics at The University of Queensland. He is the President of the Economic Society of Australia (Queensland), a member of editorial boards, associate editor of a number of international journals, and a co-editor of the Economic Record.

He has published over 50 journal articles on the economics of auctions, competition and regulatory economics, industrial organisation, and market design.

Professor Menezes has extensive international consulting experience. His experience in Australia includes advising the Federal Government, AEMC, ACCC, IPART, the QCA and the Victorian Government.

MEMBER

MADELINE BRENNAN QC



Appointment: April 2016—April 2019

Madeline Brennan is a barrister practising in the state and federal jurisdictions, primarily in the areas of taxation and revenue, administrative law, and competition and consumer law. She has worked for a broad range of clients in the private and government sectors.

She holds a Bachelor of Laws (Hons), Bachelor of Arts (History Hons) and Diploma of Education. She was called to the bar in 1996 and took silk in 2015.

Madeline has long provided service on school, hospital and professional committees and boards. Most recently, she served for eight years on the Human Research Ethics Committee of the QIMR.

SENIOR STAFF

CHIEF EXECUTIVE OFFICER

CHARLES MILLSTEED



Charles Millstead rejoined the QCA in 2010.

He commenced as CEO in September 2016 after various roles in senior management, including during a period of significant change for the QCA.

Charles has broad experience in policy analysis and economic regulation. He commenced his career at the Australian Bureau of Agricultural and Resource Economics, focusing on energy market analysis and assessing the impact of trade, investment and climate change policies.

Since 2001, Charles worked in economic regulation in various roles at the QCA, Ergon Energy and the Australian Energy Regulator.

DIRECTOR—BUSINESS PERFORMANCE

CATHERINE BARKER

Catherine Barker joined the QCA in 2001.

She has considerable experience in economic regulation.

As Director of Business Performance, her role involves the monitoring and implementation of regulation across firms regulated by the QCA.

Prior to that, she was involved in the economic oversight of the water and local government sectors, as well as in reviews of cross-sectoral issues.

Catherine started her career at the Bureau of Industry Economics and the Productivity Commission, working on regulatory reviews and inquiries.

DIRECTOR—PEER REVIEW

WILLIAM COPEMAN

William Copeman joined the QCA in 2010.

As Director of Peer Review, he is responsible for quality assurance.

Previously, he worked at the Queensland Treasury, the Queensland Treasury Corporation and Deloitte Economics.

He has extensive experience in economic regulation, analysis and policy development in both the public and private sector; complemented by broad knowledge of the Queensland water industry.

DIRECTOR—CORPORATE SERVICES

RAY RAPINETTE

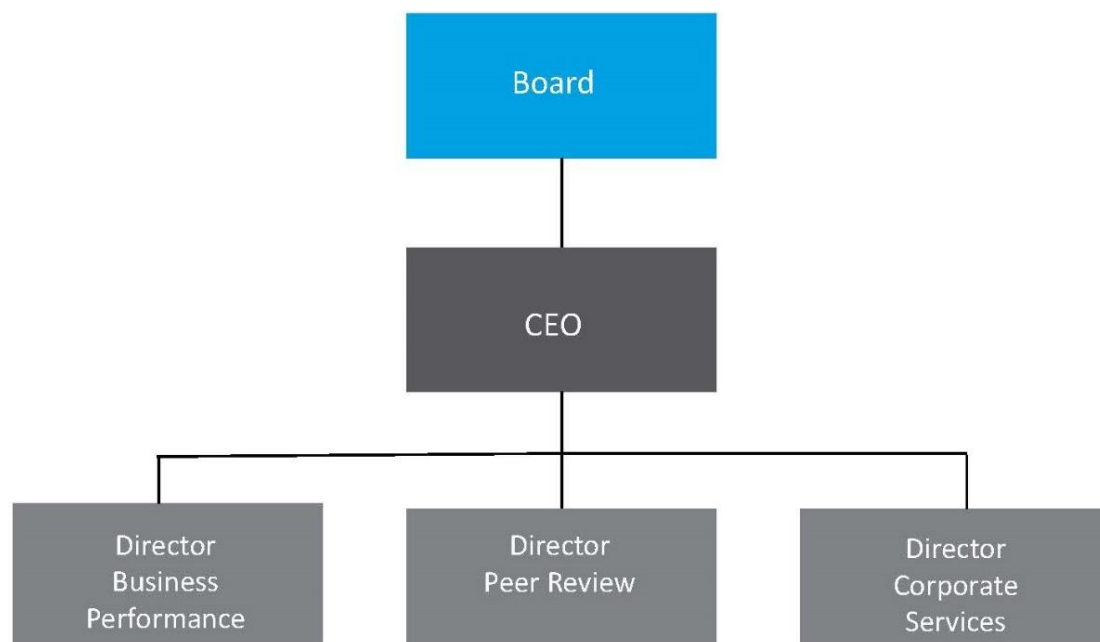
Ray Rapinette joined the QCA in 2016.

Ray brings many years of experience in senior and executive roles in banking, local government and Queensland statutory bodies.

As Director of Corporate Services, he has the diverse role of managing the provision of a range of corporate services, including governance, financial management, information technology, human resources and corporate administration.

Ray's previous roles included developing strategic frameworks, corporate and operational planning, cultural change and leading and managing multi-disciplinary teams to deliver major capital projects.

Organisational chart as at 30 June 2017



Government bodies 2016–17

Name of Government body: Queensland Competition Authority Board					
Act or instrument	Queensland Competition Authority Act 1997				
Functions	Our primary role is to ensure monopoly businesses operating in Queensland, particularly in the provision of key infrastructure, do not abuse their market power through unfair pricing or restrictive access arrangements. We achieve this through investigating and monitoring pricing practices of certain monopoly businesses and regulating third party access to essential infrastructure such as railways and port channels.				
Achievements	Refer to the pages 10–24 of this annual report.				
Financial reporting	Financial transactions of the QCA are accounted for annually in the audited Financial Statements				
Remuneration NB: If there is a very large pool of members (e.g. for a Tribunal), do not include each member in the list below, instead provide details for the different types of members e.g. for ordinary sessional members					
Position	Name	Meetings/sessions attendance	Approved annual, sessional or daily fee	Approved sub-committee fees if applicable	Actual fees received
Chair	Professor Roy Green	32	\$150,000 p.a.	0	\$149,486
Deputy Chair	Professor Flavio Menezes	31	\$75,000 p.a.	0	\$74,744
Member	Madeline Brennan QC	31	\$75,000 p.a.	0	\$74,744
No. scheduled meetings/sessions	32				
Total out of pocket expenses	\$366,820				

CHAIR'S INTRODUCTION

The QCA had a busy and productive 2016–17, completing several major projects, preparing for new ones, and progressing a range of non-project regulatory work.

In electricity, we set regulated retail electricity prices and the solar feed-in tariff to apply in regional Queensland in 2017–18. We also monitored the operation of the south east Queensland electricity market in 2016–17 and will report our findings in the coming year.

In transport, we were active in implementing access undertakings, which set out the terms and conditions under which Aurizon Network, Queensland Rail and Dalrymple Bay Coal Terminal Management provide access to rail and port infrastructure in Queensland.

We were pleased to deliver the replacement access undertaking for Dalrymple Bay Coal Terminal Management (DBCTM) in February 2017, somewhat earlier than expected despite some unforeseen complications. This included the potential purchase of Pacific National, an above-rail operator, by Brookfield, the owner of DBCTM, which would have raised concerns about the potential for preferential access to DBCT by one operator over others.

The process to replace the access undertaking for DBCTM was aided by the more proactive approach the QCA is now taking for access regulation. This includes greater reliance on powers the QCA has to control access undertaking processes and to gather information, as well as better communication about how a range of matters will be handled, such as confidentiality claims and provision of late information. The goal of these measures is to deliver more efficient and effective regulatory outcomes.

We applied the same approach to bring to an end a previously protracted, stop-start process to replace the access undertaking for Queensland Rail. The first access undertaking tailored to Queensland Rail's business, following the privatisation of the central Queensland coal network, came into effect on 11 October 2016 and applies until 30 June 2020.

Aurizon Network's 2016 access undertaking (UT4) came into effect on 11 October 2016 and is scheduled to terminate on 31 December 2017. While the approval of an access undertaking can be a complex process, and getting the right decision is paramount, the delays experienced with UT4 impeded an expeditious outcome. We therefore adopted a different approach to UT5, requiring Aurizon Network to submit a draft access undertaking by 30 November 2016, with a view to quicker and more efficient implementation.

To further improve the access undertaking process for UT5, we issued a Statement of Regulatory Intent, setting out how we intended to approach various matters. This included an emphasis on stakeholder engagement and explicit encouragement of collaboration between stakeholders, with any consensus positions to inform QCA decisions. Early signs on this are encouraging.

We continued to progress a range of economic regulatory work under approved undertakings. This included the standard user funding agreement, which seeks to allow parties other than Aurizon Network to fund future expansions of the central Queensland coal network, to support efficient investment in, and use of, this network. Similarly, our review of the system rules and baseline capacity assessment seek to support efficient investment in, and use of, the central Queensland coal network. We also assisted electricity retailers to comply with their obligations under the National Energy Retail Law in Queensland.

Across all regulated sectors, QCA staff keep abreast of the latest developments in regulation and build on their industry understanding through ongoing consultation, training, attending seminars and site visits.

In closing, I would like to thank QCA staff and the senior leadership team for their dedication and hard work during 2016–17. I would also like to thank outgoing CEO John Hindmarsh for the outstanding contribution he made during his time at the QCA. His leadership, during a period of significant organisational change, ensured the QCA was well positioned in 2016–17 to focus on quality economic regulation outcomes. Finally, I would like to thank Board members Professor Flavio Menezes and Madeline Brennan QC for their expertise and support throughout the year.

CHAIR

P R O F E S S O R R O Y G R E E N

C E O ' S M E S S A G E

On 1 September 2016, I took over the role of CEO from John Hindmarsh. On behalf of all QCA staff, I would like to thank John for his exceptional leadership in fundamentally changing the structure and culture of the QCA. I am confident the benefits will be long lasting.

A key input to the QCA's effectiveness is a highly skilled and knowledgeable workforce. To that end, we undertook a number of initiatives in 2016–17 to develop and support our staff. The QCA Workforce Strategic Plan 2017–20 was developed to improve recruitment, learning and professional development, leadership, organisational culture, and employee relations. We also initiated a program of industry site visits for QCA staff, recognising the importance of engaging with and understanding the industries we regulate. These initiatives build the capability of the QCA to deliver on its legislated responsibilities and its aim of making Queensland's economy more competitive through efficient economic regulation.

As part of our commitment to maintaining the highest standards of corporate governance, we initiated a detailed review of the QCA's overall governance framework late in 2016. Key policies, protocols, procedures and guidelines have been reviewed and where appropriate, updated to ensure currency, relevance and alignment with our Strategic Plan. This included an external review of the QCA's fee framework, and refinement of our processes for procuring the specialist consultants, contractors and legal advisers we rely on. We also updated key reference documents, including our staff Code of Conduct, Delegations policy, Information Handling manual and the Procurement policy. The QCA is not large enough to warrant having a separate Audit and Risk Committee, so the Board performs this role. The preparation of a dedicated Risk Register will enable better management of risks as well as improved reporting.

The QCA has a number of mechanisms to communicate and engage with its many stakeholders, including the media. A media and communications protocol and procedure was developed during 2016–17, to streamline the process of responding to any type of enquiry and also to allow the QCA to efficiently issue or make announcements about key milestones. However, our key information and communication channel is our website, and we continued to refine the content and operation of the site to assist our stakeholders. Individuals may subscribe through our website to keep up to date with news and announcements via email alerts and newsletters relating to any or all of our regulatory activities.

In financial terms, the QCA produced an operating surplus of \$1.9 million in 2016–17. Income was lower than in 2015–16 due to reduced regulatory activity, which determines the level of fees we can charge to recoup the costs of our services. Our expenditure on expert technical and legal advice was significantly lower than in 2015–16, partly reflecting a focus on value for money in procurement as well as improvements to our knowledge management.

The QCA remains committed to considered, balanced and principled regulatory outcomes, and I would like to thank QCA staff for their continued professionalism and commitment. I would also like to thank QCA Board members for their support and guidance over the past 12 months.

CHIEF EXECUTIVE OFFICER

C H A R L E S M I L L S T E E D

ECONOMIC REGULATION

OVERVIEW OF ECONOMIC REGULATION PROJECTS

The QCA's role:

- *determining and recommending prices*
- *monitoring prices and services*
- *overseeing access regulation*

REGULATED RETAIL ELECTRICITY PRICES 2017 – 18

We began our review in November 2016 under a delegation from the Minister for Energy, Biofuels and Water Supply. The delegation, dated 10 November 2016 and issued under section 90AA(1) of the Electricity Act, directed us to determine the regulated retail electricity prices (notified prices) for standard contract customers in regional Queensland for the period 1 July 2017 to 30 June 2018.

We released an interim consultation paper on 16 November 2016 and received nine submissions in response.

We published a draft determination on 24 February 2017 and conducted a series of consultation workshops across Queensland in March 2017. We received 11 submissions on the draft determination.

On 31 May 2017, we published our final determination as required under this delegation.

On the same day, we were informed that Energy Queensland had been directed to revise its 2017–18 network prices by removing the costs associated with the Solar Bonus Scheme. We received a new delegation to determine notified prices for the period 1 July 2017 to 30 June 2018.

On 16 June 2017, we published our final determination under the new delegation. The determination indicated that a typical customer on the main residential retail tariff (T11) could expect a 3.3 per cent increase in the annual notified price bill, and a typical customer on the main small business retail tariff (T20) could expect a 4.1 per cent increase in the annual notified price bill.

ADVICE OF TIME-VARYING SOLAR PRICE 2017 – 18

On 21 May 2017, The Minister for Energy, Biofuels and Water Supply directed us, under section 253AA of the Electricity Act, to provide advice to inform a time-varying solar price for regional Queensland for 2017–18.

We released the draft report providing advice to the Minister on 9 June 2017.

Submissions on the draft report closed on 30 June 2017. We are required to provide the final advice to the Minister by 28 July 2017.

BULK WATER PRICES 2018 – 21

Seqwater provides urban and industrial bulk water supply and irrigation supply services in south east Queensland.

The Treasurer and Minister for Trade and Investment has asked the QCA to investigate pricing practices relating to the monopoly business activity of bulk water supply by Seqwater, under section 23 of the QCA Act. The objective of the review is to recommend bulk water prices for customers in south east Queensland for the period 1 July 2018 to 30 June 2021.

We are required to provide a draft report to the Queensland Government by 30 November 2017 and a final report by 31 March 2018.

QUEENSLAND RAIL

Queensland Rail is a statutory authority that provides passenger train services and operates the rail network in south east Queensland, the Western system and the Mount Isa and North Coast lines.

Queensland Rail's rail network is subject to the access regime established by Part 5 of the QCA Act, which provides for developing an access undertaking to guide how the access regime should operate.

On 17 June 2016, we released a final decision on the 2015 draft access undertaking (DAU) that Queensland Rail submitted on 5 May 2015. Our decision was to refuse to approve the DAU.

We also issued Queensland Rail with a secondary undertaking notice in accordance with section 134 of the QCA Act, asking to be provided with a copy of the amended DAU by 16 August 2016 (later extended to 15 September 2016).

Queensland Rail submitted an amended DAU within this time. Queensland Rail's first access undertaking commenced on 11 October 2016, after the QCA assessed that Queensland Rail's amended DAU complied with the secondary undertaking notice.

P O R T S

DBCT Management's 2015 DAU

The Dalrymple Bay Coal Terminal (DBCT) is leased to DBCT Management under a long-term lease. DBCT is subject to economic regulation by the QCA.

DBCT Management's 2010 access undertaking was scheduled to terminate on the earlier of 30 June 2017 and the date that a new undertaking was approved.

In October 2015, we received a draft access undertaking (the 2015 DAU) from DBCT Management. The 2015 DAU was intended to replace the 2010 access undertaking.

We consulted with stakeholders on the 2015 DAU and, in April 2016, released a draft decision to refuse to approve DBCT Management's 2015 DAU.

In November 2016, following further consultation with stakeholders, we released a final decision to refuse to approve DBCT Management's 2015 DAU. The final decision also specified the ways in which the DAU needed to be amended in order for it to be approved.

In February 2017, DBCT Management submitted an amended DAU that complied with the QCA's final decision. On 16 February 2017, the QCA approved the

amended DAU—which then came into force as the 2017 access undertaking.

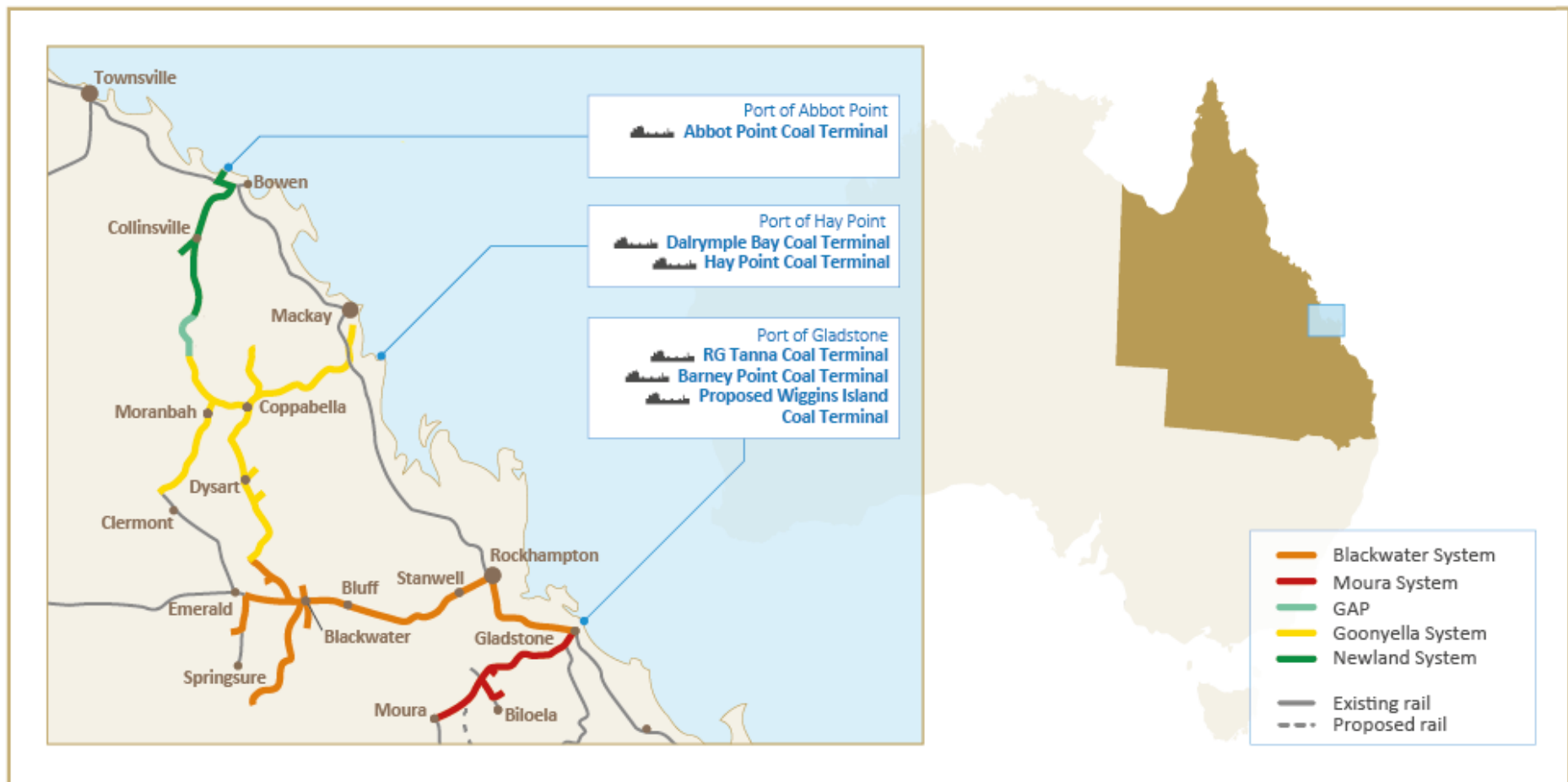
The 2017 access undertaking is scheduled to terminate on the earlier of 1 July 2021 and the date that the handling of coal at DBCT ceases to be a 'declared service' for the purposes of the QCA Act.

A U R I Z O N N E T W O R K

Aurizon Holdings is a publicly listed company that operates a rail freight business and, through its wholly owned subsidiary Aurizon Network, the coal network in central Queensland.

The process for gaining access to the coal network is governed by the 2016 access undertaking (UT4), approved by the QCA in October 2016.

The undertaking applies to the rail systems that comprise the central Queensland coal network: Moura, Blackwater, Goonyella, Newlands and Goonyella to Abbot Point (GAP). (See the figure on page 12).



Aurizon Network's 2016 access undertaking (UT4)

In April 2013, Aurizon Network submitted a draft access undertaking (the 2013 DAU) to replace UT3. It was proposed that the 2013 DAU apply from 1 July 2013 to 30 June 2017.

After extensive discussion with stakeholders, Aurizon Network withdrew the 2013 DAU on 11 August 2014, replacing it with another DAU (the 2014 DAU). Aurizon Network presented the 2014 DAU as its response to issues raised by stakeholders.

We subsequently published a draft decision on the maximum allowable revenue (MAR) aspects of the 2014 DAU in September 2014 and a draft decision on the remainder of the 2014 DAU (dealing with policy matters including governance, capacity and expansions, and pricing and tariffs) in January 2015. We also published a draft decision on the short-term transfer mechanism in April 2015, and a draft decision on pricing for the Wiggins Island Rail Project (WIRP) in July 2015.

After considering submissions on these draft decisions, we released a consolidated draft decision in December 2015 to provide stakeholders an opportunity to consider the complete draft decision. After having regard to submissions, we published our final decision in April 2016, refusing to approve the 2014 DAU.

Aurizon Network subsequently submitted an amended 2014 DAU on 7 July 2016. Following a further short period of consultation, we received five submissions. Most submissions supported the amended 2014 DAU, but one stakeholder reiterated concerns regarding WIRP pricing arrangements. We released a draft decision on these matters on 1 September 2016, again seeking submissions. A final decision was reached and the 2016 access undertaking was approved on 11 October 2016.

Aurizon Network's 2017 draft access undertaking (UT5)

On 11 May 2016, we issued an initial undertaking notice to Aurizon Network in accordance with section 133 of the QCA Act. The notice required Aurizon Network to submit a draft access undertaking by 9 September 2016 for the regulatory period commencing 1 July 2017 (the UT5 regulatory period).

Following a request from Aurizon Network, this date for lodgement of the draft access undertaking was extended. Aurizon Network submitted the 2017 draft access undertaking (2017 DAU) to the QCA on 30

November 2016 in accordance with the extended initial undertaking notice.

Prior to receiving the 2017 DAU, we published a Statement of Regulatory Intent for managing the assessment of Aurizon Network's 2017 DAU. It outlines our intended approach to managing information gathering processes, stakeholder consultation and assessment timeframes throughout our 2017 DAU investigation.

On 2 December 2016, we issued a notice of investigation in accordance with section 146 of the QCA Act to notify Aurizon Network that the QCA will be conducting an investigation to decide whether to approve, or refuse to approve, Aurizon Network's 2017 DAU. We subsequently published Aurizon Network's 2017 DAU for stakeholder comment. The submissions we received from nine stakeholders are published on our website.

We also provided stakeholders with an additional consultation period during which they could lodge collaborative stakeholder submissions.

Stakeholders were encouraged to use the opportunity to collaborate, discuss and, where possible, present agreed positions to inform our draft decision. We received four submissions as a result of the collaborative process; these submissions demonstrated consensus positions on various matters.

We continue to progress our investigation of Aurizon Network's 2017 DAU. A draft decision is expected in the first half of 2017–18.

ONGOING REGULATORY WORK

The Business Performance division within the QCA handles a range of ongoing economic regulatory work that falls outside of scope of individual projects. This includes compliance and performance monitoring, capital expenditure reviews, tariff variations and dealing with stakeholder queries.

In 2016–17, Business Performance progressed a range of matters arising from new access undertakings the QCA approved for Queensland Rail, Aurizon Network, and DBCT. These included:

- Aurizon Network’s condition-based assessment, standard user funding agreement, baseline capacity and system rules
- Queensland Rail’s and Aurizon Network’s cost allocation manuals
- DBCT Management’s incremental expansion study draft amending access undertaking (DAAU).

Business Performance also managed a number of recurring and ongoing projects on which QCA decisions were made, including:

- Aurizon Network’s revenue cap adjustment amounts, capital expenditure claim and compliance audit for 2015–16
- Aurizon Network’s below-rail financial statements for 2013–14 to 2015–16

- Aurizon Network’s extension DAAUs, and electric charge (EC) tariff and Moura flood DAAUs
- Aurizon Network’s flood review events
- DBCT Management’s 2015–16 non-expansion capital expenditure and 2017–18 revenue roll-forward
- the monitoring of compliance with the Electricity Distribution Network Code and derogations to the National Energy Customer Framework.

Business Performance is also monitoring the operation of the SEQ retail electricity market in 2016–17.

CORPORATE MATTERS

OVERVIEW

C O R P O R A T E G O V E R N A N C E

The QCA places great emphasis on corporate governance. Under the guidance of QCA Members, management has implemented an administrative framework designed to support the delivery of effective and efficient economic regulation for Queensland. In addition, a range of policies and procedures have been developed to ensure that, among other things, assets are safeguarded and proper financial and accounting records are maintained. These policies are reviewed systematically and updated to ensure they align with the strategic direction of the QCA. The triennial audit of the QCA's financial systems was conducted by BDO Australia in 2015, which found that these systems remain appropriate. The next audit is scheduled in 2018.

Information and knowledge are some of the QCA's most valuable assets. Accordingly, emphasis is placed on the management and protection of information, as well as on the maintenance of confidentiality where appropriate. Our records are stored electronically and paper records are retained as required. There were no breaches of information security during the financial year.

The QCA Code of Conduct was reviewed and updated in this reporting cycle and associated processes and procedures are based on the public sector core values. Particular attention is paid to possible conflicts of interest. This includes Members and staff absenting themselves from all deliberations where conflicts of interest, real or perceived, may arise. All staff contracts include the requirement to abide by the Code of Conduct and to disclose any potential or actual conflicts of interest. Staff and Members receive training on the Code of Conduct and are aware of the requirement to behave in accordance with the highest ethical standards.

The QCA annually reviews its major risks, including physical risks, employee practices liability, and financial, information protection and reputation risks. The risk register is reviewed quarterly and provides a mechanism to routinely test mitigation and monitoring controls and activities. The QCA also routinely reviews and updates its policies. The discrimination, sexual harassment, victimisation, vilification, and workplace bullying policies were updated in 2016–17, as were the banned-share list, natural justice manual, and delegations policy. A

domestic and family violence policy and union encouragement policy are also in place. All staff receive routine periodic training on the policy requirements and are reminded of their existing obligations.

Financial performance

The QCA has reported a surplus of \$1.9 million in 2016–17. The analysis below provides details of variances against the approved budget.

The QCA total revenue was higher than budgeted by \$1.4 million, largely due to increased activity related to Aurizon Network (\$1.2 million) and DBCT (\$0.9 million), offset by less than budgeted revenue from Queensland Rail (\$0.6 million). A number of minor variances account for the remaining \$0.1 million difference between budgeted and actual revenue.

Total expenditure amounted to \$13.7 million against a budget of \$16.2 million. Employee expenses were \$0.4 million less than budget, and payments for specialist advice were also \$2.7 million less than budget. A number of minor variances (including an adjustment of \$0.7 million for fee over recovery) account for the remaining \$0.6 million of under-spend relative to budget.

The favourable expenditure variance of \$2.4 million plus the impact of higher revenue of \$1.4 million explains the increased surplus from the budgeted shortfall of \$2.0 million to the surplus of \$1.9 million.

Expenditure, including performance against budget, is reported monthly to QCA Members.

Environmental statement

The QCA maintains an environmentally friendly workplace. The Ann Street offices have been designed to be energy-efficient, with a 5.5-star NABERS energy rating and a 4-star NABERS water efficiency rating. The QCA supports the efficiency measures initiated by the building's management.

The office environment benefits from low sills and a stepped perimeter ceiling that maximises the natural light penetration and, together with motion-activated lighting, saves energy. The QCA also promotes recycling and has in place recycling receptacles for paper and cardboard. The building facilities also support our work–life balance policies, with excellent end-of-trip facilities (including secure bike racks and showering facilities) and heart-smart stairs between floors.

No asbestos was used in the construction of 145 Ann Street.

Other information

Our website provides information on:

- consultancies
- overseas travel

OUR PEOPLE AND WORKFORCE PROFILE

As at 30 June 2017, we employed 45.5 full-time equivalent employees (headcount totalled 47) in a range of technical and support roles. Employees who recorded more than 10 years of service with the QCA made up 15.2 per cent of the staff, and 6.5 per cent had recorded 15 or more years of service.

For the financial year ended 30 June 2017, we had a permanent separation rate of 19.8 per cent (the percentage of permanent employees who separated from the QCA in the 12 months to 30 June 2017 as compared to the number of permanent employees on 30 June 2016). The major reason for separation was further career progression (11 per cent) with a larger marketplace competitor.

Queensland public service values

The Queensland public service values are:

- Customers first
- Ideas into action
- Unleash potential
- Be courageous
- Empower people

The QCA values align with these values.

Diversity and workplace equity

We are committed to a workplace that is fair and inclusive, and that promotes the QCA values and a positive workplace culture. Inappropriate workplace behaviours such as bullying, harassment, sexual harassment and discrimination are not accepted. Equal employment opportunities and anti-discrimination principles are incorporated into QCA policies and procedures, and are reinforced via a mixture of formal and online training.

Workforce planning

QCA staffing levels are based on the annual operational plan and projected resources required for various projects. In addition to core staffing levels, we engage consultants or contract staff for specialist advice and, if necessary, for meeting peak activity demands.

Candidates for permanent employment are sourced through online and print advertising, as well as through recruitment agencies, referrals and direct applications. In 2016–17, two graduates were important additions to our team, helping us to build future capability.

Employee development and performance management framework

We continue to have a strong culture of employee professional development. Our Learning and Support Plan 2017–2020 provides a structured approach to learning and development, building our project delivery capability. In addition, a comprehensive training and development matrix was created this year for all positions at the QCA.

All new employees are required to attend a corporate induction program. Induction provided covers HR and general QCA policies, health and safety, document management, IT and systems induction, style and writing induction and general orientation.

Each year, employees participate in a performance framework where key performance indicators (KPIs) are set. Annual KPI reviews are conducted, with the results of these performance reviews being considered as part of the annual salary review process. Feedback from this process also informs decisions regarding employee suitability for promotions.

A training plan is developed for each employee during the annual performance evaluation process to guide the professional development opportunities offered to individual employees. Formal study by our employees is also supported by the QCA's Study and Research Assistance Scheme.

Leadership development framework

Our Leadership Development Plan provides a framework that supports and develops our leaders and shapes the QCA leadership culture. Three target groups form the basis of this plan—the senior leadership team, existing corporate/project/program leaders and emerging leaders. This plan is complimented by a comprehensive matrix of leadership competencies and relevant training and development options for all target groups.

Work–life balance

We continued to encourage our employees to maintain a healthy work–life balance by providing flexible working practices such as part-time employment, purchased leave, and working from home arrangements, all of which are balanced with operational requirements. Our employees are encouraged to utilise annual leave accruals between projects, ensuring appropriate periods of revitalisation. The QCA also has a mother's room available to employees as needed.

Health and safety initiatives

Employee safety remains a priority for us. In 2016–17, there were no workplace incidents that resulted in any lost time due to injury. Given the high level of computer work by all our employees, all new employees participate in a workstation ergonomics assessment by an occupational therapist. In addition, all employees who undertake work from home are required to complete an ergonomic checklist on an annual basis. Our Health Initiative proactively supports employee good health, with supported activities such as flu vaccinations, health assessments and sponsorship of employee participation in charity exercise events.

Industrial and employee relations framework

This year a comprehensive review was undertaken of all QCA human resources policies and procedures. Staff feedback on the review was incorporated into

the final HR Manual, which was approved in March 2017.

Early retirement, redundancy and retrenchment

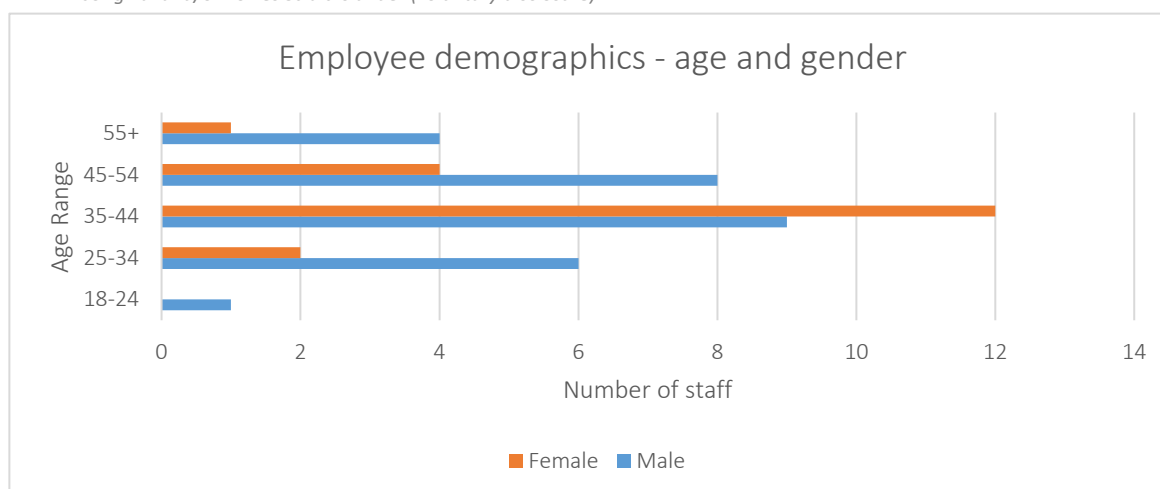
During the period, redundancy payments at a total cost of \$28,254 were made.

Workforce profile as at 30 June 2017

	Total employees	Male	Female	NESB*	A&TSI**
Chief Executive Officer	1	1	0	0	0
Directors	3	2	1	0	0
Technical employees	31	21	10	5	0
Support employees	12	4	8	2	0
Total	47	28	19	7	0

* Non-English speaking background (voluntary disclosure)

** Aboriginal and/or Torres Strait Islander (voluntary disclosure)



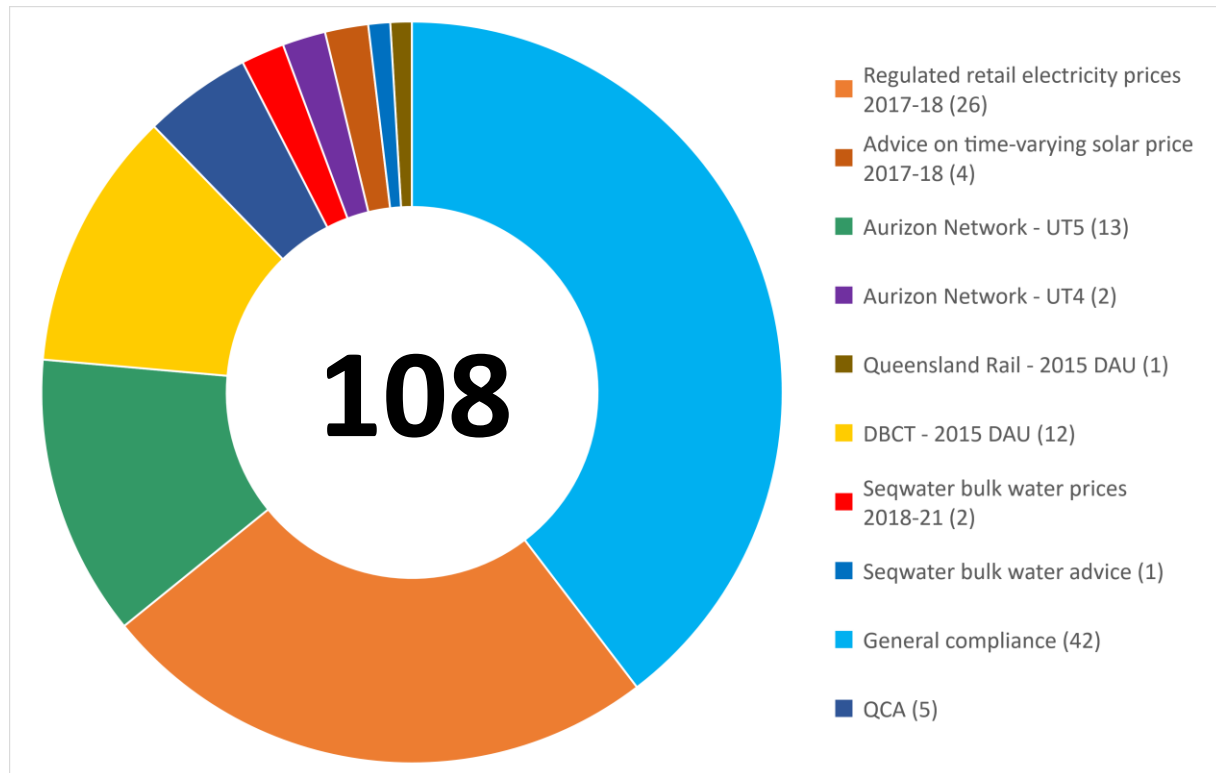
Flexible work arrangements as at 30 June 2017

	Employees with flexible arrangements	Part-time employees	Employees who purchased leave
Male	4	1	1
Female	4	5	1
NESB*	1	0	0
Technical staff	4	4	2
Support staff	4	1	0

* Non-English speaking background (voluntary disclosure)

OUR PUBLICATIONS

TOTAL PUBLICATIONS



Publications released and submissions received

	Submissions	Publications
Regulated retail electricity prices 2017-18	20	26
Advice on time-varying solar price 2017-18	1	4
Aurizon Network -UT5	20	13
Aurizon Network -UT4	10	2
Queensland Rail -2015 DAU	0	1
DBCT -2015 DAU	19	12
Seqwater bulk water prices 2018-21	1	2
Seqwater bulk water advice	0	1
General compliance	113	42
QCA	0	5
Total	184	108

Publicly available publications

Publicly available documents can be obtained from our offices or viewed on our website.

Release date	Title
2017	
June	Seqwater bulk water prices 2018–21: notice of investigation
June	South east Queensland bulk water price review 2018–21: guidance note
June	Aurizon Network's 2017 draft access undertaking: stakeholder notice 8—process update
June	DBCT Management's 2017–18 revenue requirement and terminal infrastructure charge: decision
June	Queensland Rail's proposed cost allocation manual: final decision
June	Aurizon Network's electric charge tariff draft amending access undertaking (June 2017 EC tariff DAAU): decision
June	Regulated retail electricity prices for 2017–18: final determination
June	Media release: regulated retail electricity prices for regional Queensland in 2017–18
June	Fact sheet: 2017–18 residential electricity prices for regional Queensland—June final determination
June	Fact sheet: 2017–18 small business electricity prices for regional Queensland—June final determination
June	Fact sheet: 2017–18 energy costs—June final determination
June	Fact sheet: 2017–18 regulated electricity prices for regional Queensland customers on transitional and obsolete tariffs
June	Fact sheet: 2017–18 regulated electricity prices for customers on tariff 47 and tariff 48
June	Request for advice—time-varying solar price for regional Queensland for 2017–18: draft report
June	Advice to inform a time-varying solar prices: stakeholder notice—invitation for submissions
June	Aurizon Network's June 2017 electric charge tariff draft amending access undertaking: stakeholder notice—consultation notice
May	Aurizon Network's April 2017 extension draft amending access undertaking: final decision
May	Aurizon Network's draft amending access undertaking—Moura reference tariffs (2015 floods): final decision
May	DBCT Management's May 2017 Incremental Expansion Study draft amending access undertaking: notice of investigation
May	DBCT Management's May 2017 Incremental Expansion Study draft amending access undertaking: notice of time periods
May	Aurizon Network's review event—2016 flood claim: decision
May	Aurizon Network's 2017 draft access undertaking: stakeholder notice 7—information update
May	Solar feed-in tariff for regional Queensland for 2017–18: final report
May	Media release: regional Queensland solar feed-in tariff to rise
May	Regulated retail electricity prices for 2017–18: final determination (superseded)
May	Media release: regulated retail electricity prices for regional Queensland in 2017–18
May	Fact sheet: 2017–18 residential electricity prices for regional Queensland—final determination (superseded)
May	Fact sheet: 2017–18 small business electricity prices for regional Queensland—final determination (superseded)
May	Fact sheet: 2017–18 energy costs—final determination (superseded)
May	Fact sheet: 2017–18 regulated electricity prices for regional Queensland customers on transitional and obsolete tariffs (superseded)
May	Fact sheet: 2017–18 regulated electricity prices for customers on tariff 47 and tariff 48 (superseded)
May	Aurizon Network's 2017 draft access undertaking—QCA response to request for WACC workshop: letter to Aurizon Network
April	Aurizon Network's draft system rules for the central Queensland coal network: stakeholder notice

Release date	Title
April	Queensland Rail's cost allocation manual: draft decision
April	Aurizon Network's baseline capacity assessment report: stakeholder notice
April	Aurizon Network's draft amending access undertaking—Moura reference tariffs (2015 floods): draft decision
April	Aurizon Network's April 2017 extension draft amending access undertaking: notice of investigation
April	Aurizon Network's April 2017 extension draft amending access undertaking: notice of time periods
April	Aurizon Network's 2015–16 revenue adjustment application: decision
April	Aurizon Network's 2017 draft access undertaking—QCA response to request for WACC workshop: letter to Aurizon Network
March	Draft determination 2017–18 retail electricity prices: workshop presentation
March	DBCT Management's incremental expansion study draft amending access undertaking: notice of investigation
March	DBCT Management's incremental expansion study draft amending access undertaking: notice of time periods
March	DBCT Management's final true-up amount: approval
February	Aurizon Network's 2016–17 adjustment charges submission: final decision
February	Aurizon Network's Moura flood recovery draft amending access undertaking: stakeholder notice of investigation and time periods
February	Regulated retail electricity prices for 2017–18: draft determination
February	Regulated retail electricity prices for 2017–18: draft determination—executive summary
February	Regulated retail electricity prices for regional Queensland in 2017–18: media release
February	Fact sheet: 2017–18 residential electricity prices for regional Queensland—draft determination
February	Fact sheet: 2017–18 small business electricity prices in regional Queensland—draft determination
February	Fact sheet: 2017–18 regulated electricity prices for regional Queensland customers on transitional and obsolete tariffs—draft determination
February	Fact sheet: 2017–18 regulated electricity prices for customers on tariff 47 and tariff 48—draft determination
February	Fact sheet: 2017–18 forecast energy costs—draft determination
February	Aurizon Network's 2017 draft access undertaking: stakeholder notice 6—published submissions and collaborative consultation period
February	DBCT Management's amended 2015 draft access undertaking: approval letter
February	Letter to DBCT Management: response to DBCT Management's letter of 22 December 2016
January	Aurizon Network's 2017 draft access undertaking: confidentiality claim template
January	Aurizon Network's 2017 draft access undertaking: stakeholder notice 5—consultation periods
2016	
December	Aurizon Network's costing manual: approval letter
December	Letter to DBCT Management: approval of extension of secondary undertaking notice period
December	Aurizon Network's 2015 flood review event: final decision
December	Aurizon Network's 2015 flood review even: final decision—letter to Aurizon Network
December	Aurizon Network's 2017 draft access undertaking: notice of investigation and time periods
December	Aurizon Network's 2017 draft access undertaking: stakeholder notice 4—commencement of the QCA's investigation of Aurizon Network's 2017 DAU
December	Letter to DBCT Management: extension of secondary undertaking notice
November	DBCT Management's 2015 draft access undertaking: secondary undertaking notice
November	Secondary undertaking notice—Attachment: QCA final decision: DBCT Management's 2015 draft access undertaking

Release date	Title
November	Secondary undertaking notice—Attachment: QCA decision—Appendix A: mark-up to DBCT Management's 2015 draft access undertaking
November	Secondary undertaking notice—Attachment: QCA decision—Appendix B: mark-up to DBCT Management's 2015 draft access undertaking user agreement
November	DBCT Management's 2015 draft access undertaking—final decision: media release
November	Regulated retail electricity prices for 2017–18: interim consultation paper
November	Guaranteed service level performance by Energy and Ergon Energy for 2015–16: compliance report
November	Aurizon Network's QCA levy 2016–17: decision
October	DBCT 2010 access undertaking—capital charges for extension period 2: letter to DBCT Management
October	Aurizon Network's 2015 flood review event claim—draft decision letter to Aurizon Network
October	Aurizon Network's review event—2015 flood claim: draft decision
October	Queensland Rail's Amended 2015 draft access undertaking: final approval
October	SEQ retail electricity market monitoring for 2016–17: media release
October	SEQ retail electricity market monitoring 2016–17: scoping paper
October	Aurizon Network's Amended 2014 draft access undertaking: final decision
October	Annual report 2015–16
October	DBCT Management's 2015 draft access undertaking: notice of time periods (revised)
October	DBCT Management's 2015–16 non-expansion capital expenditure: letter to DBCT Management
September	Aurizon Network's Amended 2014 draft access undertaking: draft decision
September	Aurizon Network's 2016 draft access undertaking—extension of period: initial undertaking notice
September	Aurizon Network's 2016 draft access undertaking—s.133 initial undertaking notice: extension of period: approval letter
September	Aurizon Network's draft amending access undertaking to extend the term of the 2010 access undertaking: stakeholder notice 3
September	Aurizon Network's August 2016 extension draft amending access undertaking: notice of investigation
September	Aurizon Network's August 2016 extension draft amending access undertaking: notice of time periods
September	Aurizon Network's 2015–16 adjustment charges submission: approval
September	Aurizon Network's 2013–14 and 2014–15 regulatory asset base roll-forward: approval
September	Queensland Rail costing manual: approval of extension of time
August	DBCT Management's 2015 draft access undertaking: QCA staff questions for stakeholders
July	Queensland Rail costing manual: letter to Queensland Rail
July	Media release: QCA charts a new era of economic regulation
July	Aurizon Network's 2016 draft access undertaking: statement of regulatory intent
July	Aurizon Network's 2017 draft access undertaking: stakeholder notice 2—statement of regulatory intent

Corporate documents available on the website

Release date	Title
2016	
	Public Interest Disclosure policy
	Code of conduct
October	QCA strategy 2016–17
October	Annual report (as listed above)

Reports to the Queensland Government

Not publicly available

Release date	Title
2017	
June	Report to the Minister for Energy and Water Supply: performance of the QCA's functions under the <i>Electricity Act 1994</i> and the <i>Gas Supply Act 2003</i>
June	Updated advice to the Minister for Energy, Biofuels and Water Supply: individual retail cost component of 2017–18 regulated retail electricity prices
May	Advice to the Minister for Energy, Biofuels and Water Supply: individual retail cost component of 2017–18 regulated retail electricity prices
2016	
December	Report to the Minister for Energy and Water Supply: performance of the QCA's functions under the <i>Electricity Act 1994</i> and the <i>Gas Supply Act 2003</i>
October	Advice—SEQ bulk water price path

FINANCIAL STATEMENTS

C O N T E N T

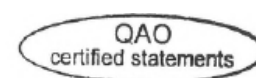
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STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2017

	Notes	2017 \$	2016 \$
Income from Continuing Operations			
Fees	2	10,821,123	13,880,988
Government Grant	3	4,000,000	4,000,000
Other Income	4	795,293	789,700
Total Revenue		15,616,416	18,670,688
Gains/Losses			
Gain/(Loss) on sale of plant and equipment		694	555
Total Income from Continuing Operations		15,617,110	18,671,242
Expenses from Continuing Operations			
Members Expenses		366,820	402,286
Employee Expenses	5	7,433,420	7,765,260
Supplies and Services	8	4,783,306	8,236,513
Impairment Losses	9	-	754,272
Depreciation and Amortisation	15	410,505	402,486
Fee Expense	10	702,100	723,722
Other Expenses	11	41,017	42,069
Total Expenses from Continuing Operations		13,737,168	18,326,608
Operating Result from Continuing Operations		1,879,942	344,634
Other Comprehensive Income		-	-
Total Comprehensive Income		1,879,942	344,634

The accompanying notes form part of these financial statements

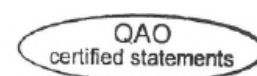


STATEMENT OF FINANCIAL POSITION

as at 30 June 2017

	Notes	2017 \$	2016 \$
Current Assets			
Cash and Cash Equivalents	12	13,257,488	9,269,945
Receivables	13	3,002,357	5,054,391
Other	14	290,536	238,721
Total Current Assets		16,550,382	14,563,056
Non Current Assets			
Plant and Equipment	15	2,328,490	2,670,457
Total Non Current Assets		2,328,490	2,670,457
Total Assets		18,878,872	17,233,513
Current Liabilities			
Payables	16	1,461,369	1,067,787
Accrued Employee Benefits	17	587,603	780,873
Provision for restructure	18	-	228,484
Lease Incentive Liability	19	330,000	330,000
Total Current Liabilities		2,378,972	2,407,145
Non Current Liabilities			
Accrued Employee Benefits	17	528,853	405,264
Lease Incentive Liability	19	1,485,000	1,815,000
Total Non Current Liabilities		2,013,853	2,220,264
Total Liabilities		4,392,825	4,627,408
Net Assets		14,486,046	12,606,105
Equity			
Contributed Equity		1,559,000	1,559,000
Accumulated Surplus		12,927,046	11,047,105
Total Equity		14,486,046	12,606,105

The accompanying notes form part of these financial statements

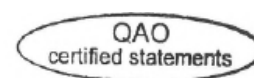


STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2017

	Accumulated Surplus		Contributed Equity	
	2017	2016	2017	2016
	\$	\$	\$	\$
Balance 1 July	11,047,105	10,702,470	1,559,000	1,559,000
Operating Result from Continuing Operations	1,879,942	344,634	-	-
Other Comprehensive Income	-	-	-	-
Balance 30 June	12,927,046	11,047,105	1,559,000	1,559,000

The accompanying notes form part of these financial statements

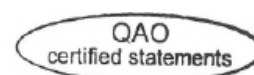


STATEMENT OF CASH FLOWS

for the year ended 30 June 2017

	Notes	2017 \$	2016 \$
Cash flows from operating activities			
<i>Inflows:</i>			
Government Grant		4,000,000	4,000,000
Fees		12,774,979	14,193,677
Interest		264,429	292,339
Other		532,159	447,595
GST collected		1,332,916	1,441,197
GST input tax credits from ATO		592,099	1,407,470
		19,496,581	21,782,278
<i>Outflows:</i>			
Members Expenses		(366,820)	(402,286)
Employee Expenses		(7,671,375)	(7,671,005)
Supplies and services		(5,514,657)	(14,900,276)
GST paid to Suppliers		(557,385)	(1,428,327)
GST remitted to ATO		(1,331,512)	(1,439,429)
		(15,441,749)	(25,841,322)
Net cash provided by / (used in) operating activities		4,054,832	(4,059,044)
Cash flows from investing activities			
<i>Inflows:</i>			
Proceeds from disposal of Plant and Equipment		1,249	-
<i>Outflows:</i>			
Payments for Plant and Equipment		(68,538)	(65,797)
Net cash provided by / (used in) investing activities		(67,289)	(65,797)
Net increase/(decrease) in cash and cash equivalents		3,987,543	(4,124,841)
Cash and cash equivalents at beginning of financial year		9,269,943	13,394,784
Cash and cash equivalents at end of financial year	12	13,257,486	9,269,943

The accompanying notes form part of these financial statements



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2017

Note 1

Basis of Financial Statement Preparation

a) General Information

These financial statements cover the Queensland Competition Authority (QCA). The QCA is a statutory body established under the *Queensland Competition Authority Act 1997* (QCA Act).

b) Compliance with Prescribed Requirements

The financial statements have been prepared in compliance with the *Financial Accountability Act 2009* and the Financial and Performance Management Standard 2009.

These financial statements are general purpose financial statements and have been prepared on an accruals basis (with the exception of the statement of cash flows which is prepared on a cash basis) in accordance with Australian Accounting Standards—Reduced Disclosure Requirements (RDR) and Interpretations. The QCA is a not-for-profit entity and the financial statements comply with the requirements of Australian Accounting Standards—RDR and Interpretations applicable to not-for-profit entities.

c) The Reporting Entity

The QCA does not control other entities. The financial statements include the value of all income, expenses, assets, liabilities and equity of the QCA as an individual entity.

d) Underlying Measurement Basis

The historical cost convention is used unless otherwise stated.

e) Other Presentation Matters

Currency and Rounding

Amounts included in financial statements are in Australian dollars and are rounded to the nearest dollar.

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

Comparatives

Comparative information reflects the audited 2015–16 financial statements. Comparative information is restated where necessary to be consistent with disclosures in the current reporting period. There have been no material restatements during the year.

Current/Non-Current Classification

Assets and liabilities are classified as either 'current' or 'non-current' in the Statement of Financial Position and associated notes. Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or when the QCA does not have an unconditional right to defer settlement to beyond 12 months after the reporting date.

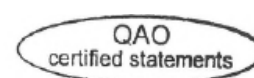
f) New and Revised Accounting Standards (including early adoption)

The QCA did not voluntarily change any of its accounting policies during 2016–17.

There was one Australian Accounting Standard change mandatorily applicable for the first time as from 2016–17 that has impacted on the QCA's financial statements.

AASB 124 Related Party Disclosures

This standard requires note disclosures about key management personnel (KMP) remuneration expenses and other related party transactions, and does not impact on financial statement line items. As Queensland Treasury already required disclosure of KMP remuneration expenses, there was minimal impact for the QCA's disclosures compared to 2015–16 (refer to note 6). Material related party transactions for 2016–17 are disclosed in note 7. No comparative information is required in respect of 2015–16.



g) Authorisation of Financial Statements for issue

The financial statements were authorised for issue by the Chairperson and the Chief Executive Officer at the date of signing the Management Certificate.

Note 2:

Fees	2017	2016
	\$	\$
Fees	10,821,123	13,880,988
Total	10,821,123	13,880,988

Accounting Policy

Fee revenue is recognised in the accounting period in which the services are rendered and is in compliance with the requirements set out in the *Queensland Competition Authority Regulation 2007*.

The *Queensland Competition Authority Regulation 2007* only permits the QCA to levy fees for providing a service or performing a function that is no more than the reasonable cost of providing that service or performing that function. Regulatory fee income is calculated based on the associated costs of providing the related services.

Any regulatory fee income received in excess of the costs of providing the related services in a year is disclosed in the Statement of Financial Position as a payable and is recognised as an expense in the Statement of Comprehensive Income. All amounts payable are repaid in the next financial year.

Any cost of providing the regulated services in excess of the regulated fee income received in a year is disclosed in the Statement of Financial Position as a receivable and is recognised as revenue in the Statement of Comprehensive Income. All amounts receivable are invoiced in the subsequent financial year.

Note 3:

Government Grant	2017	2016
	\$	\$
Grant	4,000,000	4,000,000
Total	4,000,000	4,000,000

Accounting Policy

The Government grant is non-reciprocal in nature and is recognised when received or when an entitlement is established.

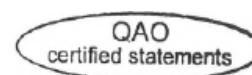
Note 4:

Other Income	2017	2016
	\$	\$
Interest	285,097	296,026
Sub-lease rent income	377,646	371,759
Other	132,550	121,915
Total	795,293	789,700

Accounting Policy

Sub-lease rent income is derived from leasing floor space to the Queensland Productivity Commission and is classed as revenue and does not offset rent expense. The sub-lease has a term of three years with the option to renew for a period of two years. Rent is received monthly in arrears with an annual increase of 4.25%.

Lease income is recognised when the right to receive the revenue has been established.



Note 5:**Employee Expenses****Employee Benefits**

	2017	2016
	\$	\$
Salaries	5,670,720	5,831,902
Annual Leave	348,907	389,418
Sick Leave	71,888	93,189
Employer Superannuation Contributions	587,016	623,187
Termination Benefits	28,254	101,133
Long Service Leave Central Scheme Levy	136,536	139,993

Employee Related Expenses

Payroll tax	310,776	356,123
Staff Training Costs	149,210	155,441
Staff Recruitment Costs	77,323	12,089
Other Staff Expenses	34,877	48,320
Workers Compensation Premium	17,913	14,464
Total	7,433,420	7,765,260

The number of employees including both full time employees and part time employees measured on a full time equivalent basis at the end of each year is:

45.5 45.2

Accounting PolicySalaries and sick leave

Salaries due but unpaid at the reporting date are recognised in the Statement of Financial Position at the current salary rates. As the QCA expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts.

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

Annual and long service leave

Annual leave liabilities are accounted for as short term employee benefits if the QCA expects to wholly settle all such liabilities within the 12 months following reporting date. Otherwise annual leave liabilities are accounted for as 'other long-term employee benefits' in accordance with AASB 119, and split between current and non-current components.

All directly associated on-costs (for example employer superannuation contributions, payroll tax and worker's compensation insurance) are also recognised as liabilities.

The QCA joined the State Government's Long Service Leave Central Scheme (the Scheme) from 1 July 2002. Under the Scheme, a levy is made on the QCA to cover this expense. 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 Financial Statements from 1 July 2002, 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.

Staff Retention Scheme

Included in accrued employee benefits is the amount payable to staff under the QCA's staff retention scheme. Eligible staff are entitled to a payment following continuous service to the QCA after three and after six years. The amount recognised is measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate estimates of future salaries, duration of current service and probability of employee turnover and are discounted at rates at the end of the reporting period on government bond rates. Upon measurement of obligations under the staff retention scheme, the net obligation is recognised in profit or loss as part of employee benefits expense.

Superannuation

Employees of the QCA may elect to be members of QSuper or any other complying superannuation fund.

Contributions to superannuation meet the minimum requirements of the *Superannuation Guarantee (Administration) Act 1992*. Contributions to employees' superannuation plans are charged as an expense as the contributions are paid or become payable.



Other Employee Related Expenses

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.

Note 6:

Key Executive Management Personnel and Remuneration Expenses

The key executive management personnel that had authority and responsibility for planning, directing and controlling the activities of the QCA during 2016–17 are detailed below.

Position	Responsibilities	Current Incumbents	
		Contract Classification and Appointment Authority	Date Appointed to position (End date of position)
Chairman	Members are collectively responsible for the Authority's duties and responsibilities, in accordance with the QCA Act. The Chairman is also responsible for the collegiate functioning of the members and Ministerial liaison.	Governor in Council/QCA Act 1997	11 June 2015
Deputy Chairman	Members are collectively responsible for the Authority's duties and responsibilities, in accordance with the QCA Act. In the absence of the Chairman, the Deputy chairman assumes the Chairman's responsibilities.	Governor in Council/QCA Act 1997	9 April 2016
Member	Members are collectively responsible for the Authority's duties and responsibilities, in accordance with the QCA Act.	Governor in Council/QCA Act 1997	9 April 2016
Chief Executive	The Chief Executive is responsible for management of the Authority in accordance with directions of the Members and the QCA Act.	Individual Contract issued by the Authority	14 July 2014 (31 August 2016)
Chief Executive	The Chief Executive is responsible for management of the Authority in accordance with directions of the Members and the QCA Act.	Individual Contract issued by the Authority	1 September 2016

The remuneration of Members is set by the Governor in Council. The remuneration of the Chief Executive is set by Members of the Authority and detailed in an employment contract.

Total Remuneration comprises:

- Short term benefits which include:
 - Base—consisting of base salary, allowances (nil) and leave entitlements paid and provided for the entire year
 - Non-monetary benefits—consisting of other employment benefits together with fringe benefits tax applicable to the benefit
- Post employment benefits consisting of superannuation contributions
- Termination benefits include payments in lieu of notice on termination and other lump sum separation entitlements (excluding annual and long service leave entitlements) payable on termination of employment.

A termination payment was made to the outgoing Chief Executive that comprised redundancy pay, statutory leave payable, and pay in lieu of notice.

1 July 2016—30 June 2017

Position	Short Term Benefits		Long Term Employee Benefits	Post Employment Benefits	Termination Benefits	Total Remuneration
	Base	Non-Monetary Benefits				
	\$	\$	\$	\$	\$	\$
Chairman	136,517	-	-	12,969	-	149,486
Deputy Chairman	68,259	-	-	6,485	-	74,744
Member	68,259	-	-	6,485	-	74,744
Chief Executive	69,447	-	-	3,798	248,478	321,724
Chief Executive	300,972	-	6,320	16,541	-	323,833
Total Remuneration	643,454	-	6,320	46,278	248,478	944,531



1 July 2015—30 June 2016

Position	Short Term Benefits		Long Term Employee Benefits	Post Employment Benefits	Termination Benefits	Total Remuneration
	Base	Non-Monetary Benefits				
	\$	\$	\$	\$	\$	\$
Chairman	136,517	-	-	12,969	-	149,486
Deputy Chairman	76,662	-	-	7,283	-	83,945
Member	68,994	-	-	6,554	-	75,548
Deputy Chairman	14,439	-	-	1,372	-	15,811
Member	14,439	-	-	1,372	-	15,811
Chief Executive	411,749	-	8,647	19,748	-	440,144
Total Remuneration	722,800	-	8,647	49,298	-	780,745

Performance Payments

The remuneration package for the Chief Executive does not include any provision for a performance payment.

Note 7:

Related Party Transactions

There were no related party transactions with the QCA's key management personnel in 2016–17.

Note 8:

Supplies and Services	2017 \$	2016 \$
Specialist Services	2,363,860	5,946,274
Occupancy Costs (including operating lease rentals)	1,828,108	1,674,016
Information Technology Costs	312,633	293,627
Travel and Accommodation Costs	28,749	17,018
Bank Fees and Charges	16,541	14,538
General Administration Costs	111,235	154,285
Other	122,180	136,756
Total	4,783,306	8,236,513

Note 9:

Impairment Losses	2017 \$	2016 \$
Impairment losses on other receivables	-	754,272
Total	-	754,272

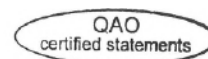
Accounting Policy

All assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the QCA determines the asset's recoverable amount. Any amount by which the asset's carrying value exceeds the recoverable amount is recorded as an impairment loss and recognised immediately in the Statement of Comprehensive Income.

Note 10:

Fee Expense	2017 \$	2016 \$
Fee Expense*	702,100	723,722
Total	702,100	723,722

*Fee Expense represents regulated fees received in excess of reasonable costs that will be repaid in the next financial year.



Note 11:

Other Expenses	2017	2016
	\$	\$
External Audit Fees*	23,870	23,835
Insurance Premiums	17,147	18,234
Total	41,017	42,069

*There are no non-audit services included in this amount.

Note 12:

Cash and Cash Equivalents	2017	2016
	\$	\$
Cash at Bank	5,411,619	1,597,792
Cash on Hand	500	500
Cash in QTC Cash Fund	7,845,369	7,671,652
Total	13,257,488	9,269,945

Accounting Policy

Cash assets include cash at bank, cash on hand and cash with Queensland Treasury Corporation (QTC). All cash amounts are at call and can be redeemed in under one working day at their face value. The QCA does not have any borrowing or overdraft facilities.

Note 13:

Receivables	2017	2016
	\$	\$
Trade Debtors	24,115	46,079
Other Receivables	49,143	635,758
Accrued Income*	2,853,874	4,261,212
Sub Total	2,927,133	4,943,048
 GST Receivable	 80,817	 115,531
GST Payable	(5,593)	(4,189)
Sub Total	75,224	111,342
 Total Receivables	 3,002,357	 5,054,391

Accounting Policy

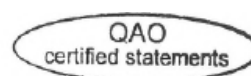
Trade Debtors are recognised at the nominal amounts due, with settlement generally being required within 30 days from invoice.

The collectability of receivables is assessed periodically with provision being made for impairment.

*Accrued Income represents reasonable costs in excess of regulatory fees received that will be invoiced in the next financial year.

Note 14:

Other	2017	2016
	\$	\$
Prepayments	290,536	238,721
Total	290,536	238,721



Note 15:**Plant and Equipment and Depreciation Expense**

	2017	2016
	\$	\$
(i) Property Plant and Equipment		
Plant and Equipment: At Cost	3,908,714	3,907,883
Less: Accumulated Depreciation	(1,580,224)	(1,237,427)
Total	2,328,490	2,670,457

(ii) Property Plant and Equipment Reconciliation

	Plant and Equipment	Total
Carrying amount at 1 July 2016	2,670,457	2,670,457
Acquisitions (including upgrades)	68,538	68,538
Disposals	-	-
Depreciation Expense	(410,505)	(410,505)
Carrying amount at 30 June 2017	2,328,490	2,328,490

(i) Accounting Policy

The Queensland Government's policy, titled *Non-Current Asset Policies for the Queensland Public Sector*, establishes prescribed asset measurement methods and recognition thresholds. In accordance with this policy, the assets of the QCA are measured at depreciated cost. On acquisition, assets are valued at cost including all expenses necessary to have the asset ready for use.

Items of plant and equipment with a cost or other value equal to or in excess of \$5,000 are recognised for financial reporting purposes in the year of acquisition. Items with a lesser value are expensed in the year of acquisition.

Depreciation Expense

Depreciation of plant and equipment is calculated on a straight line basis so as to allocate the net cost of each asset, less its estimated residual value, progressively over its estimated useful life to the QCA. Fixtures and fittings are depreciated over the lesser of the unexpired period of the QCA's building lease and the estimated useful life, while other plant and equipment is depreciated over the estimated useful life.

The estimation of the useful lives of assets is based on historical experience with similar assets and asset turnover practices of the QCA. Reassessments of useful life estimates are implemented prospectively.

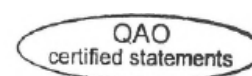
Impairment

All non-current physical assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the QCA determines the asset's recoverable amount. Any amount by which the asset's carrying value exceeds the recoverable amount is recorded as an impairment loss and recognised immediately in the Statement of Comprehensive Income.

(ii) Additional Disclosure—Depreciation

In general, the following depreciation rates have been used:

Office Equipment:	10% to 33%
Computer Equipment:	20% to 33%
Fixtures and Fittings:	10% to 12%
Leasehold Improvements:	10% to 12%



Note 16:

Payables	2017	2016
	\$	\$
Accrued Expenses	651,722	65,976
Trade Creditors	90,807	255,089
Audit Fees Payable	16,740	23,000
Accrued Expenses*	702,100	732,722
Total	1,461,369	1,067,787

*Accrued Expenses represents reasonable costs less than the regulatory fees received that will be repaid in the next financial year.

Accounting Policy

Trade Creditors are recognised upon receipt of the goods or services ordered and are measured at the nominal amount; i.e. agreed purchase/contract price, gross of applicable trade and other discounts. Trade creditors are generally unsecured, not subject to interest charges and are normally settled within agreed business terms.

Note 17:

Accrued Employee Benefits	2017	2016
	\$	\$
<i>Current</i>		
Employee Benefits	463,240	687,586
Salaries Payable	124,363	93,288
Total	587,603	780,873
<i>Non-Current</i>		
Employee Benefits	528,853	405,264
Total	528,853	405,264

Accounting policies for employee benefit liabilities are disclosed in note 5.

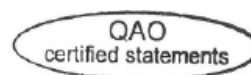
Note 18:

Provision	2017	2016
	\$	\$
<i>Current</i>		
Provision for restructure	-	228,484
Total	-	228,484

Accounting Policy

Provision for restructure is costs of corporate restructure and covers redundancies and other associated costs.

Provisions are recognised when the QCA has a present obligation, either legal or constructive as a result of a past event. They are recognised at the amount expected at reporting date for which the obligation will be settled in a future period.



Note 19:

Other Liabilities	2017	2016
	\$	\$
Current		
Lease Incentive	330,000	330,000
Total	330,000	330,000
Non-Current		
Lease Incentive	1,485,000	1,815,000
Total	1,485,000	1,815,000

Accounting Policy

Lease incentives represent fixtures and fittings provided under the lease of the QCA's office premises. Lease incentives are offset against rent paid over the term of the lease.

The lease incentive received is recognised as an integral part of the rent expense, over the term of the lease.

Note 20:**Financial Instruments**Recognition

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

Classification

The QCA's only financial assets and liabilities are as follows and they are measured at:

- Cash and cash equivalents—held at fair value through profit and loss
- Receivables—held at amortised cost
- Payables—held at amortised cost

The carrying amounts of trade receivables and payables approximate their fair value.

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

The QCA does not enter into, or trade with, such instruments for speculative purposes, nor for hedging.

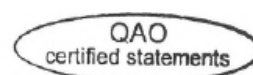
Note 21:

Leases	2017	2016
	\$	\$
Future operating lease rentals not provided for in the financial statements are payable as follows:		
Not later than one year (inclusive of GST)	2,212,181	2,121,966
Later than one year but not later than five years (inclusive of GST)	9,836,438	9,435,706
Later than five years (inclusive of GST)	1,344,832	3,957,744
Total commitments	13,393,451	15,515,446

The offices occupied by the QCA are subject to an operating lease which expires on 31 December 2022.

	2017	2016
	\$	\$
Future sub-lease rentals not recognised in the financial statements are receivable as follows:		
Not later than one year (inclusive of GST)	489,063	469,125
Later than one year but not later than five years (inclusive of GST)	1,742,528	2,085,989
Later than five years (inclusive of GST)	-	145,601
Total commitments	2,231,590	2,700,715

Part of the offices occupied by the QCA are subject to a sub-lease with the Queensland Productivity Commission which expires on 30 September 2021.



Accounting Policy

Operating leases are those where the risk and benefits of ownership are retained by the lessor.

The QCA does not have any finance leases.

A bank guarantee in favour of the Landlord for \$970,068 being equivalent to six months rent has been issued. This is enforceable should the QCA default on its lease commitments.

Note 22:

Other Information

Taxation

The activities of the QCA are exempt from Commonwealth taxation except for Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). Input tax credits receivable and GST payable from/to the Australian Taxation Office have been recognised in the Statement of Financial Position.

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

Key Accounting Estimates and Judgements

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

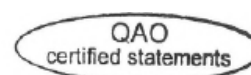
Estimates and assumptions that have a potential significant effect are included in the calculation of the following financial statement notes:

Impairment—note 9

Depreciation—note 15

Accrued Expenses—note 16

Accrued Employee Benefits—note 17



C E R T I F I C A T E O F Q U E E N S L A N D C O M P E T I T I O N A U T H O R I T Y

These general purpose financial statements have been prepared pursuant to s. 62(1)(a) of the *Financial Accountability Act 2009* (the Act), s. 43 of the Financial and Performance Management Standard 2009, and other prescribed requirements. In accordance with s. 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; and
- b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Queensland Competition Authority for the financial year ended 30 June 2017 and of the financial position of the Authority as 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.



Chair

R Green

BA LLB (Adelaide) PhD (Cambridge)

10 August 2017

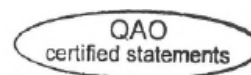


Chief Executive Officer

C Millstead

BEcon (Hons) BA

10 August 2017



I N D E P E N D E N T A U D I T O R ' S R E P O R T

To the Board of Queensland Competition Authority

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of the Queensland Competition Authority. The financial report comprises the statement of financial position as at 30 June 2017, 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 certificates given by the Chair and Chief Executive.

In my opinion, the financial report:

- a) gives a true and fair view of the Authority's financial position as at 30 June 2017, and its financial performance and cash flows for the year then ended; and
- b) complies with the *Financial Accountability Act 2009*, the *Financial and Performance Management Standard 2009* and Australian Accounting Standards — Reduced Disclosure Requirements.

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 Board 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 Authority 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 Authority's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the Board'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 Authority 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 2017:

- I received all the information and explanations I required.
- In my opinion, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

P CHRISTENSEN FCPA
as delegate of the Auditor-General



Queensland Audit Office
Brisbane

G L O S S A R Y

Term	Definition
ACCC	Australian Competition and Consumer Commission
AEMC	Australian Energy Market Commission
CSIRO	Commonwealth Scientific and Industrial Research Organisation
DAAU	draft amending access undertaking
DAU	draft access undertaking
DBCT	Dalrymple Bay Coal Terminal
EC	Electric charge
Electricity Act	<i>Electricity Act 1994</i>
GAP	Goonyella to Abbot Point
HR	Human Resources
IPART	Independent Pricing and Regulatory Tribunal
KPIs	key performance indicators
MAR	maximum allowable revenue
notified prices	regulated retail electricity prices
OECD	Organisation for Economic Cooperation and Development
QCA	Queensland Competition Authority
QCA Act	<i>Queensland Competition Authority Act 1997</i>
QIMR	Queensland Institute of Medical Research
UT3	Aurizon Network's 2010 access undertaking
UT4	Aurizon Network's 2016 access undertaking
UT5	Aurizon Network's 2017 draft access undertaking
WIRP	Wiggins Island rail project

A P P E N D I C E S

A P P E N D I X A : L E T T E R O F C O M P L I A N C E

Queensland Competition Authority

File Ref: 1253278

15 September 2017

The Hon. Curtis Pitt MP
Treasurer and Minister for Trade and Investment and
Acting Minister for Energy, Biofuels and Water Supply
Level 38, 1 William Street
Brisbane Qld 4000

Dear Treasurer

Queensland Competition Authority annual report 2016–17

I am pleased to submit for presentation the annual report 2016–17 and financial statements for the Queensland Competition Authority.

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 at pages 47–48 of this annual report.

Yours sincerely



Professor Roy Green
Chair

Level 27, 145 Ann Street, Brisbane Q 4000
GPO Box 2257, Brisbane Q 4001
Tel (07) 3222 0555
www.qca.org.au

A P P E N D I X B : C O M P L I A N C E C H E C K L I S T

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	46
Accessibility	<ul style="list-style-type: none"> Table of contents Glossary 	ARRs – section 9.1	I 44
	<ul style="list-style-type: none"> Public availability 	ARRs – section 9.2	49
	<ul style="list-style-type: none"> Interpreter service statement 	Queensland Government Language Services Policy ARRs – section 9.3	49
	<ul style="list-style-type: none"> Copyright notice 	Copyright Act 1968 ARRs – section 9.4	Back of cover page
	<ul style="list-style-type: none"> Information Licensing 	QGEA – Information Licensing ARRs – section 9.5	N/A
General information	<ul style="list-style-type: none"> Introductory Information 	ARRs – section 10.1	2–3
	<ul style="list-style-type: none"> Agency role and main functions 	ARRs – section 10.2	2–3, 10–19
	<ul style="list-style-type: none"> Operating environment 	ARRs – section 10.3	16–19
Non-financial performance	<ul style="list-style-type: none"> Government's objectives for the community 	ARRs – section 11.1	10–19
	<ul style="list-style-type: none"> Other whole-of-government plans / specific initiatives 	ARRs – section 11.2	10–19
	<ul style="list-style-type: none"> Agency objectives and performance indicators 	ARRs – section 11.3	7–8, 10–19
	<ul style="list-style-type: none"> Agency service areas and service standards 	ARRs – section 11.4	10–24
Financial performance	<ul style="list-style-type: none"> Summary of financial performance 	ARRs – section 12.1	16, 27–42
Governance – management and structure	<ul style="list-style-type: none"> Organisational structure 	ARRs – section 13.1	6
	<ul style="list-style-type: none"> Executive management 	ARRs – section 13.2	4–6
	<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	16
	<ul style="list-style-type: none"> Queensland public service values 	ARRs – section 13.5	17
Governance – risk management and accountability	<ul style="list-style-type: none"> Risk management 	ARRs – section 14.1	16
	<ul style="list-style-type: none"> Audit committee 	ARRs – section 14.2	N/A
	<ul style="list-style-type: none"> Internal audit 	ARRs – section 14.3	N/A

Summary of requirement		Basis for requirement	Annual report reference
	• External scrutiny	ARRs – section 14.4	N/A
	• Information systems and recordkeeping	ARRs – section 14.5	16
Governance – human resources	• Workforce planning and performance	ARRs – section 15.1	17–19
	• 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	18
Open Data	• Statement advising publication of information	ARRs – section 16	49
	• Consultancies	ARRs – section 33.1	49
	• Overseas travel	ARRs – section 33.2	49
	• Queensland Language Services Policy	ARRs – section 33.3	N/A
Financial statements	• Certification of financial statements	FAA – section 62 FPMS – sections 42, 43 and 50 ARRs – section 17.1	41
	• Independent Auditor's Report	FAA – section 62 FPMS – section 50 ARRs – section 17.2	42

FAA *Financial Accountability Act 2009*

FPMS *Financial and Performance Management Standard 2009*

ARRs *Annual report requirements for Queensland Government agencies*

ANNUAL REPORT ACCESS

Additional copies

A copy of this report can be obtained by contacting us.

email annualreport@qca.org.au
mail Executive Support Officer
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Brisbane Qld 4001
tel (07) 3222 0555
fax (07) 3222 0599

This report is available in PDF format
on our website: qca.org.au/AR-2016-17

Open data

Further information on the following is available
through the Queensland Government's Open Data
website: qld.gov.au/data:

- Consultancies 2016–17
- Overseas travel 2016–17

ISSN 1839-213X

Translating and interpreting assistance



We are committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds.

If you have difficulty in understanding the annual report, you can contact us on (07) 3222 0555 and we will arrange an interpreter to assist you.

Feedback

Readers are encouraged to provide feedback on the contents or structure of this report by contacting us at: annualreport@qca.org.au

