

Financial statements

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Foreword

Queensland Treasury's Financial Statements are general purpose financial statements prepared in accordance with prescribed requirements including *Australian Accounting Standards* and the *Financial Reporting Requirements* issued by Queensland Treasury.

The Financial Statements comprise the following components:

- Statements of Comprehensive Income
- Statements of Financial Position
- Statement of Changes in Equity
- Statements of Cash Flows
- Statements of Comprehensive Income by Major Departmental Services
- Statements of Assets and Liabilities by Major Departmental Services
- Notes to the Financial Statements.

In addition, Queensland Treasury (Treasury) administers transactions and balances in a trust or fiduciary capacity. These are identified in notes 43–45.

Treasury and Queensland Treasury Holdings Pty Ltd (QTH) are controlled by the State of Queensland which is the ultimate parent entity.

The head office and principal place of business of Treasury is:

1 William St

BRISBANE QLD 4000

	Notes	Consolidated Entity**		Parent Entity			
		2025	2024	2025	2025	2025	2024
		Actual	Actual	Actual	Adjusted budget*	Budget variance	Actual
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income from operations							
Appropriation revenue	3	522,381	490,041	522,381	658,166	(135,785)	490,041
User charges and fees	4	100,320	89,334	100,320	84,461	15,859	89,334
Interest revenue	5	57,220	39,845	45,967	23,358	22,609	26,885
Grants and contributions		4,792	650	4,792	4,188	604	650
Other revenue	6	11,271	43,549	10,977	1,133	9,844	43,095
Total revenue		695,984	663,419	684,437	771,306	(86,869)	650,005
Gain on fair value movement of other financial assets		14,682	..	..	..	..	..
Total income from continuing operations	14	710,666	663,419	684,437	771,306	(86,869)	650,005
Expenses from operations							
Employee expenses	7	290,588	218,334	241,931	265,195	(23,264)	189,946
Supplies and services	8	370,070	296,154	167,431	247,289	(79,858)	153,942
Grants and subsidies	9	138,540	203,047	138,540	180,660	(42,120)	203,047
Losses on assets	10	21,889	6,209	2,936	..	2,936	4,704
Depreciation and amortisation		3,660	2,619	626	634	(8)	764
Interest expense		10,687	10,403	..	..	..	106
Other expenses	11	14,924	9,814	13,143	12,528	615	7,883
Total expenses from continuing operations		850,358	746,580	564,607	706,306	(141,699)	560,392
Operating result from continuing operations		(139,692)	(83,161)	119,830	65,000	54,830	89,613
Gain on the derecognition of controlled entity	21	193,600	..	..	..	..	..
Operating result before income tax expense		53,908	(83,161)	119,830	65,000	54,830	89,613
Income tax expense		5,594	478	..	..	..	..
Operating result for the year		48,314	(83,639)	119,830	65,000	54,830	89,613
Other comprehensive income							
Items that will not be reclassified to operating result							
Decrease in revaluation surplus		(2,500)	..	(2,500)	..	(2,500)	..
Total for items that will not be reclassified to operating result		(2,500)	..	(2,500)	..	(2,500)	..
Total comprehensive income		45,814	(83,639)	117,330	65,000	52,330	89,613

*An explanation on the use of adjusted budget amounts and major variances is included at note 24.

** Consolidated entity balances for 2025 include Queensland Hydro balances from 1 July 2024 to 11 June 2025. Refer to note 21.

The accompanying notes form part of these statements.

	Notes	Consolidated Entity		Parent Entity			
		2025	2024	2025	2025	2025	2024
		Actual	Actual	Actual	Adjusted budget*	Budget variance	Actual
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current assets							
Cash and cash equivalents	12	652,292	468,229	548,070	560,073	(12,003)	319,828
Receivables	13	50,756	102,174	39,669	34,650	5,019	89,193
Other financial assets	14	..	20,216	..	69,088	(69,088)	20,216
Other assets		14,543	14,246	14,017	11,045	2,972	12,438
Total current assets		717,591	604,865	601,756	674,856	(73,100)	441,675
Non-current assets							
Receivables	13	125,294	143,070	30,989	29,926	1,063	38,242
Other financial assets	14	930,955	710,048	833,809	482,200	351,609	627,584
Property, plant and equipment	15	163,103	224,621	163,103	169,622	(6,519)	168,700
Intangibles		2,453	2,256	2,453	1,628	825	2,256
Right-of-use assets		..	6,302	..	..	..	..
Deferred tax asset	16	7,069	13,848	..	..	..	..
Other non-current assets		964	536	964	..	964	..
Total non-current assets		1,229,838	1,100,681	1,031,318	683,376	347,942	836,782
Total assets		1,947,429	1,705,546	1,633,074	1,358,232	274,842	1,278,457
Current liabilities							
Payables	17	515,497	363,876	515,031	315,458	199,573	333,798
Interest bearing liabilities	18	1,886	1,805	..	..	..	..
Accrued employee benefits		8,505	7,152	8,505	7,459	1,046	6,046
Lease liabilities		..	1,946	..	..	..	..
Total current liabilities		525,888	374,779	523,536	322,917	200,619	339,844
Non-current liabilities							
Payables		..	2,105	..	..	..	..
Lease liabilities		..	4,643	..	..	..	..
Interest bearing liabilities	18	94,305	96,192	..	..	..	..
Total non-current liabilities		94,305	102,940	..	..	..	..
Total liabilities		620,193	477,719	523,536	322,917	200,619	339,844
Net assets		1,327,236	1,227,827	1,109,538	1,035,315	74,223	938,613
Equity							
Accumulated surplus		609,709	253,730	486,424	426,570	59,854	366,594
Revaluation surplus		85,500	88,000	85,500	88,000	(2,500)	88,000
Contributed equity		632,027	886,097	537,614	520,745	16,869	484,019
Total equity		1,327,236	1,227,827	1,109,538	1,035,315	74,223	938,613

*An explanation on the use of adjusted budget amounts and major variances is included at note 24.
The accompanying notes form part of these statements.

		Consolidated Entity		Parent Entity		
		2025	2024	2025	2024	
		Actual	Actual	Actual	Actual	
Notes		\$'000	\$'000	\$'000	\$'000	
Accumulated surplus						
	Balance 1 July	253,730	367,369	366,594	276,981	
	Operating result	48,314	(83,639)	119,830	89,613	
	Dividends paid	..	(30,000)	..	..	
	Derecognition of total accumulated surplus-controlled entity	307,665	..	..	..	
	Balance 30 June	609,709	253,730	486,424	366,594	
Revaluation surplus						
	Balance 1 July	88,000	88,000	88,000	88,000	
	Decrease in asset revaluation surplus	(2,500)	..	(2,500)	..	
	Balance 30 June	85,500	88,000	85,500	88,000	
Contributed equity						
	Balance 1 July	886,097	298,416	484,019	203,138	
	Transactions with owners as owners:					
	Appropriated equity injections	3	84,529	298,182	84,529	298,182
	Appropriated equity withdrawals	3	(20,871)	(12,892)	(20,871)	(12,892)
	Non-appropriated equity withdrawal		..	(4,409)	..	(4,409)
	Contribution by owners		..	306,800	..	..
	Net transfers as a result of machinery-of-government changes	2 (c)	(10,063)	..	(10,063)	..
	Derecognition of total contributed equity - controlled entity		(307,665)			
	Balance 30 June		632,027	886,097	537,614	484,019
Total equity			1,327,236	1,227,827	1,109,538	938,613

The accompanying notes form part of these statements.

Queensland Treasury
Controlled Statement of Cash Flows for the year ended 30 June 2025

	Consolidated Entity		Parent Entity			
	2025	2024	2025	2025	2025	2024
	Actual	Actual	Actual	Adjusted budget*	Budget variance	Actual
Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities						
Inflows						
Appropriation receipts	626,080	464,299	626,080	551,588	74,492	464,299
Surety receipts from Financial Provisioning Scheme	5,225	..	5,225	..	5,225	..
User charges and fees	105,072	97,366	105,015	88,201	16,814	97,311
Grants and other contribution	4,792	650	4,792	4,188	604	650
GST input tax credits from Australian Taxation Office (ATO)	29,313	37,692	28,566	..	28,566	23,328
GST collected from customers	1,969	23,441	1,969	..	1,969	23,441
Interest received	55,771	36,304	45,116	22,075	23,041	24,850
Other	10,979	42,929	10,979	5,658	5,321	42,929
Outflows						
Employee expenses	(289,681)	(215,626)	(242,001)	(264,290)	22,289	(189,642)
Supplies and services	(377,549)	(293,677)	(171,951)	(251,266)	79,315	(156,849)
Grants and subsidies	(138,491)	(203,046)	(138,491)	(178,450)	39,959	(203,046)
GST remitted to ATO	(3,218)	(23,328)	(2,143)	..	(2,143)	(23,328)
GST paid to suppliers	(21,237)	(31,414)	(21,237)	..	(21,237)	(30,673)
Surety payments to Financial Provisioning Scheme	..	(14,148)	..	..	..	(14,148)
Interest paid	(10,687)	(10,021)	..	..	..	..
Income tax paid	(820)	(1,311)	..	..	..	..
Other	(14,656)	(7,632)	(14,660)	(13,535)	(1,125)	(7,632)
Net cash provided by/(used in) operating activities	(17,138)	(97,522)	237,259	(35,831)	273,090	51,490
Cash flows from investing activities						
Inflows						
Payments received from finance lease receivable	10,124	6,737	8,318	8,318	..	5,029
Proceeds from investments	9,000	8,500	..	..	..	..
Outflows						
Payments for investments	(198,945)	(457,154)	(198,945)	(108,000)	(90,945)	(457,154)
Payments for property, plant and equipment	(70,826)	(46,576)	(6,212)	(6,516)	304	(3,220)
Payment for intangibles	(657)	(1,309)	(657)	..	(657)	(1,309)
Payments for other non-current assets	(304)	..	(304)	..	(304)	..
Payments for facility costs under finance lease	..	(894)	..	..	..	(894)
Net cash used in investing activities	(251,608)	(490,696)	(197,800)	(106,198)	(91,602)	(457,548)
Cash flows from financing activities						
Inflows						
Proceeds from borrowings	291,613	177,750	..	..	..	..
Equity injections	137,700	551,022	137,700	109,966	27,734	244,222
Outflows						
Payments for lease liabilities	(2,262)	(1,699)	..	..	..	..
Repayment of borrowings	(1,806)	(233,572)	..	..	..	..
Equity withdrawals	(16,128)	(25,903)	(16,128)	(8,629)	(7,499)	(25,903)
Dividends paid	..	(30,000)	..	..	..	..
Net cash provided by/(used in) financing activities	409,117	437,598	121,572	101,337	20,235	218,319
Net increase/(decrease) in cash and cash equivalents	140,371	(150,620)	161,031	(40,692)	201,723	(187,739)
Increase in cash and cash equivalents from restructuring	67,211	..	67,211	105,811	(38,600)	..
Decrease in cash and cash equivalents from derecognition of controlled entity	(23,519)	..	..	..	..	..
Cash and cash equivalents at beginning of financial year	468,229	618,849	319,828	494,954	(175,126)	507,567
Cash and cash equivalents at end of financial year	652,292	468,229	548,070	560,073	(12,003)	319,828

*An explanation on the use of adjusted budget amounts and major variances is included at note 24.
The accompanying notes form part of these statements.

	Consolidated Entity		Parent Entity	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Total operating result	48,314	(83,639)	119,830	89,613
<i>Non-cash items included in operating result and other adjustments:</i>				
Losses on assets	18,953	62	..	62
Depreciation/amortisation expense	3,660	2,610	626	764
(Gains)/losses on investments	2,936	4,642	2,936	4,642
Interest - loans and receivables	(2,136)	(2,932)	(1,283)	(1,810)
(Gain)/loss on licence fee receivable	(14,682)	1,505	..	..
Amortisation of unearned income	(220)	(399)	..	..
Change in assets and liabilities:				
(Increase)/decrease in receivables	51,987	(49,540)	49,523	(51,581)
(Increase)/decrease in other assets	(724)	(2,652)	(2,543)	(1,810)
(Increase)/decrease in deferred tax assets	6,779	(2,268)	..	..
Increase/(decrease) in payables	151,955	(29,406)	181,232	(50,591)
Increase/(decrease) in accrued employee benefits	1,138	1,680	2,459	822
Increase/(decrease) in tax provision/deferred tax liability	(2,005)	1,436	..	..
Non-cash adjustment - equity receivable and payable	(57,859)	62,564	(57,859)	62,564
Non-cash adjustment - investments	10,000	..	10,000	..
Finance lease receivable adjustment	218	(1,185)	218	(1,185)
Adjustment due to machinery-of-government changes and derecognition	(235,452)	..	(67,880)	..
Net cash provided by operating activities	(17,138)	(97,522)	237,259	51,490

		Consolidated Entity*				
	Notes	Opening balance 2025 \$'000	Interest \$'000	Cash received \$'000	Cash repayments \$'000	Closing balance 2025 \$'000
Current/non-current liabilities						
Interest bearing liabilities	18	97,997	..	..	(1,806)	96,191
		97,997	..	..	(1,806)	96,191

*There are no liabilities arising from financing activities in the Parent entity accounts.

**Controlled Reconciliation of Changes in Liabilities Arising from Financing Activities
for the year ended 30 June 2024**

		Consolidated Entity*				
	Notes	Opening balance 2024 \$'000	Interest \$'000	Cash received \$'000	Cash repayments \$'000	Closing balance 2024 \$'000
Current/non-current liabilities						
QTC Working Capital Facility	18	54,114	..	177,750	(231,864)	..
Interest bearing liabilities	18	99,705	..	..	(1,708)	97,997
		153,819	..	177,750	(233,572)	97,997

*There are no liabilities arising from financing activities in the Parent entity accounts.

Queensland Treasury
Controlled Statement of Comprehensive Income by Major Departmental Services for the year ended 30 June 2025

	Economics and Statistical Services ^		Fiscal		Agency Performance		Commercial and Investment		Energy and Climate**		Revenue Management		General – not attributed***		Inter-service/activity eliminations		Queensland Treasury	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Income from operations *																		
Revenue																		
Appropriation revenue	28,310	28,152	23,148	17,009	10,867	10,454	120,394	210,046	90,277	221,874	2,244	2,506	522,381	490,041				
User charges and fees	5,211	6,161	96,364	83,662	389	421	2,199	2,473	3	8,881	319	355	100,320	89,334				
Interest revenue	..	..	44,684	24,972	..	..	1,283	1,913	4,792	..	..	..	45,967	26,885				
Grants and contributions	..	..	..	650	..	..	..	..	4,792	..	..	..	4,792	650				
Other revenue	280	277	900	25,968	82	70	2,109	14,193	4,524	2,528	66	59	10,977	43,095				
Total revenue	33,801	34,590	165,096	152,261	11,338	10,945	125,985	228,625	99,596	233,283	2,629	2,920	684,437	650,005				
Gain on fair value movement of other financial assets	..	..	..	..	..	..	..	..	..	..	..	..	..	..				
Total income from operations	33,801	34,590	165,096	152,261	11,338	10,945	125,985	228,625	99,596	233,283	2,629	2,920	684,437	650,005				
Expenses from operations *																		
Employee expenses	23,572	24,020	14,034	12,324	9,501	8,875	22,284	20,987	23,421	122,504	1,190	1,236	241,931	189,946				
Supplies and services	9,882	10,215	24,368	19,227	1,683	1,941	20,573	28,007	17,679	105,596	1,313	1,575	167,431	153,942				
Grants and subsidies	175	180	1,441	25,546	78	66	76,804	176,071	58,390	1,128	64	56	138,540	203,047				
Losses on assets	..	..	(3,223)	1,342	..	..	6,159	3,300	..	62	..	..	2,936	4,704				
Depreciation and amortisation	13	11	332	361	5	3	10	7	16	379	4	3	626	764				
Interest expense	..	..	..	..	..	..	..	106	90	3,614	58	50	13,143	106				
Other expenses	159	164	8,314	3,848	71	60	155	147	..	..	..	..	..	..				
Total expenses from operations	33,801	34,590	45,266	62,648	11,338	10,945	125,985	228,625	99,596	233,283	2,629	2,920	564,607	560,392				
Operating result for the year																		
Other comprehensive income items that will not be reclassified to operating result	..	..	119,830	89,613	..	..	..	..	..	..	..	..	119,830	89,613				
Decrease in revaluation surplus	..	..	..	..	..	..	(2,500)	..	..	..	..	..	(2,500)	..				
Total other comprehensive income	..	..	..	..	..	..	(2,500)	..	..	..	..	..	(2,500)	..				
Total comprehensive income	..	..	119,830	89,613	..	..	(2,500)	..	..	..	..	..	117,330	89,613				

*Allocation of income and expenses to corporate services (disclosure only);

Income

Expenses

**Represents income and expenses from 1 November 2024 to 30 June 2025 resulting from the machinery-of-government changes (refer to Note 2(c)).

***2025 and 2024 includes corporate support allocated to Motor Accident Insurance Commission and Nominal Defendant.

[^]The service area has been amended. Previously "Economics and Productivity" to reflect the transfer of the Office of Productivity and Red Tape Reduction to the Queensland Productivity Commission.

Accounting policy – Allocation of revenues and expenses from ordinary activities of corporate services

Treasury allocates revenues and expenses attributable to corporate services to its controlled departmental services in the Statement of Comprehensive Income based on the average usage patterns of the services' key drivers of costs.

Queensland Treasury
Controlled Statement of Assets and Liabilities by Major Departmental Services for the year ended 30 June 2025

	Economics and Statistical Services [^]		Fiscal		Agency Performance		Commercial and Investment		Energy and Climate**		Revenue Management		General – not attributed*		Queensland Treasury	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Current assets																
Cash and cash equivalents	(1,071)	2,235	351,459	318,004	1,457	248	39,047	(27,436)	81,686	..	17,480	7,149	58,012	19,628	548,070	319,828
Receivables	1,905	2,147	11,071	4,575	93	170	25,292	76,203	43,843	..	3,327	2,653	(45,862)	3,445	39,669	89,193
Other financial assets	..	..	..	20,216	..	..	..	..	..	..	..	..	..	..	..	20,216
Other assets	219	214	154	57	..	..	..	..	..	..	10,009	9,586	3,635	2,581	14,017	12,438
Total current assets	1,053	4,596	362,684	342,852	1,550	418	64,339	48,767	125,529	..	30,816	19,388	15,785	25,654	601,756	441,675
Non-current assets																
Receivables	..	..	..	..	..	..	30,989	38,242	..	..	..	..	..	..	30,989	38,242
Other financial assets	..	..	346,068	218,684	..	..	487,741	408,900	..	..	..	..	..	..	833,809	627,584
Property, plant and equipment	..	2	..	..	..	..	162,500	168,220	272	..	331	476	..	2	163,103	168,700
Intangibles	..	..	1,392	1,646	..	..	..	..	..	..	..	..	1,061	610	2,453	2,256
Other non-current assets	..	..	..	..	..	..	..	..	..	..	93	..	871	..	964	..
Total non-current assets	..	2	347,460	220,330	..	..	681,230	615,362	272	..	424	476	1,932	612	1,031,318	836,782
Total assets	1,053	4,598	710,144	563,182	1,550	418	745,569	664,129	125,801	..	31,240	19,864	17,717	26,266	1,633,074	1,278,457
Current liabilities																
Payables	316	3,904	304,698	288,552	1,285	183	41,286	2,458	124,791	..	27,701	17,287	14,954	21,414	515,031	333,798
Accrued employee benefits	692	647	394	351	265	235	625	597	1,010	..	4,104	3,091	1,415	1,125	8,505	6,046
Total current liabilities	1,008	4,551	305,092	288,903	1,550	418	41,911	3,055	125,801	..	31,805	20,378	16,369	22,539	523,536	339,844
Total liabilities	1,008	4,551	305,092	288,903	1,550	418	41,911	3,055	125,801	..	31,805	20,378	16,369	22,539	523,536	339,844
Net assets	45	47	405,052	274,279	..	..	703,658	661,074	..	..	(565)	(514)	1,348	3,727	1,109,538	938,613

The department has systems in place to allocate assets and liabilities by major departmental services.

*Includes assets and liabilities associated with corporate support functions.

** The balances recognised for 2024-25 results from the machinery-of-government changes effective 1 November 2024 (refer to Note 2(c)).

[^] The service area has been amended. Previously 'Economics and Productivity' to reflect the transfer of the Office of Productivity and Red Tape Reduction to the Queensland Productivity Commission.

1 Basis of financial statements preparation

(a) Statement of compliance

Treasury has prepared these financial statements in compliance with section 38 of the *Financial and Performance Management Standard 2019*.

Treasury is a not-for-profit entity and has prepared these general purpose financial statements in accordance with Australian Accounting Standards and Interpretations applicable to not-for-profit entities. The financial statements comply with Treasury's *Financial Reporting Requirements* for the year beginning 1 July 2024.

(b) The reporting entity

Treasury is a Queensland Government department established under the *Public Sector Act 2022* and controlled by the State of Queensland, which is the ultimate parent.

For financial reporting purposes, Treasury is a department in terms of the *Financial Accountability Act 2009* and is subsequently consolidated into the *Report on State Finances* of the Queensland Government.

Treasury as an economic entity consists of the parent entity together with its controlled entities, QTH and Queensland Hydro (up to 11 June 2025). To provide enhanced disclosure, Treasury has adopted the principles outlined in Australian Accounting Standard AASB 10 *Consolidated Financial Statements* and AASB 12 *Disclosure of Interests in Other Entities*. This approach is considered appropriate as it reflects the relationship between Treasury's core business activities and those of its controlled entities. In the process of reporting on Treasury as a single economic entity, all transactions and balances internal to the economic entity have been eliminated in full. The consolidated financial statements include the value of all revenues, expenses, assets, liabilities and equity of Treasury and the entities it controls. Details of Treasury's controlled entities are disclosed in note 21. For the purposes of these financial statements, "QTH" refers to QTH and its controlled entities.

The accrual basis of accounting has been adopted for both controlled transactions and balances, and those administered by Treasury on a whole-of-government basis (except for the Statement of Cash Flows, which is prepared on a cash basis). Except when stated, the historical cost convention is used.

(c) Controlled and Administered transactions and balances

Transactions and balances are controlled by Treasury where they can be deployed for the achievement of departmental objectives.

Treasury administers, but does not control, certain resources on behalf of the government such as loans, borrowings and cash arrangements, collection and payment of grants, state taxes, royalties, fines and investment in the Queensland Future Fund. In doing so, it is responsible and accountable for administering related transactions and balances but does not have the discretion to deploy the resources for the achievement of Treasury's objectives.

Transactions and balances relating to administered resources are not recognised as controlled revenues, expenses, assets, liabilities and equity, but are disclosed separately as administered transactions and balances in the administered statements and associated notes.

If not otherwise stated, the controlled accounting policies also apply to administered transactions and balances.

(d) Australian Government taxes

Treasury is a state body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation with the exception of fringe benefits tax (FBT) and goods and services tax (GST). As such, FBT and GST credits receivable from/payable to the ATO are recognised and accrued.

QTH and Queensland Hydro are subject to the National Tax Equivalents Regime, and payments are made to the State Treasurer (Consolidated Fund) equivalent to the amount of Commonwealth income tax.

QTH falls under the Taxation of Financial Arrangements legislation and applies the default realisation and accrual methods.

(e) Presentation

Rounding and comparatives

Amounts included in the financial statements are in Australian dollars and have been rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero unless disclosure of the full amount is specifically required. Due to rounding, totals may not add exactly. Comparative information reflects the audited 2023–24 financial statements.

1 Basis of financial statements preparation (continued)

(e) Presentation (continued)

Current/non-current classification

Assets and liabilities are classified as either current or non-current in the statement of financial position and associated notes. Assets are classified as current where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as current when they are due to be settled within 12 months after the reporting date, or the department does not have the right at the end of the reporting period to defer settlement to beyond the 12 months after the reporting date. All other assets and liabilities are classified as non-current.

(f) Issuance of financial statements

The financial statements are authorised for issue by the Under Treasurer and Chief Finance Officer at the date of signing the Management Certificate.

(g) Accounting estimates and judgements

Estimates and assumptions that have a potential significant effect are outlined in the following notes:

- notes 13 and 36 (allowance for impairment)
- notes 14 and note 23 (g) (fair value on controlled other financial assets and financial instruments)
- notes 15 (fair value on property, plant and equipment)
- notes 20 and 39 (contingencies)
- notes 37 and 40 (e) (fair value on administered other financial assets and financial instruments).

Further, the matters covered in each of those notes necessarily involve estimation uncertainty with the potential to materially impact on the carrying amount of Treasury's assets and liabilities in the next reporting period. Reference should be made to the respective notes for more information.

(h) First year application of new accounting standards and future impact of accounting standards not yet effective

No new accounting standards or interpretations that apply to the department and its controlled entities for the first time in 2024–25 had any material impact on the financial statements. No Australian Accounting Standards have been early adopted for 2024–25.

2 Objectives and major activities of the department

Treasury's vision is a strong economy for all Queenslanders, which is guided by a purpose of driving government priorities through expert advice and services.

Treasury's objectives are to:

- grow the Queensland economy and stimulate jobs
- drive Queensland's pathway to an affordable, reliable and sustainable energy system
- deliver fiscal sustainability
- influence public sector improvement.

Treasury is funded for the departmental services it delivers principally by parliamentary appropriations. Details on Treasury's departmental service areas can be viewed in the Service Reports section of the department's Annual Report.

(a) Major activities of the department

Major activities of the department are detailed on the face of the statements by Major Departmental Services for both controlled and administered items.

The Financial Statements have been aggregated into the following disclosures (refer to notes 1(b) and 1(c) for full details of this aggregation):

1 Controlled

- (a) Treasury (as an entity in its own right and to which the remainder of this financial report refers) – column headed 'Parent Entity'.
- (b) Consolidated (Treasury and its controlled entities which includes QTH and its subsidiaries and Queensland Hydro up to 11 June 2025 – refer to Note 21) – column headed 'Consolidated Entity'.

2 Administered on behalf of whole of government – shaded statements and notes.

(b) Financial Provisioning Scheme

The Financial Provisioning Scheme (Scheme) established under the *Mineral and Energy Resource (Financial Provisioning) Act (MERFP Act) 2018* is administered by the Scheme Manager, a statutory officer supported by Treasury, who is responsible for administering all holders' financial provisioning on behalf of the State of Queensland. The purpose of the Scheme is to improve the State's management of its financial risk in the event holders of a resources activity environmental authority or small scale mining tenure fail to comply with their environmental management and rehabilitation obligations.

Under the MERFP Act 2018, holders meet their financial provisioning obligation by providing:

- a contribution to the Financial Provisioning Fund (FP Fund); and/or
- surety, which can be in the form of cash, bank guarantee or insurance bond.

The Administering Authority (Department of Environment, Tourism, Science and Innovation) may make a claim against a holder's financial provisioning to the Scheme Manager. Where the claim is properly made, the Scheme Manager will either make arrangements for payments from the FP Fund or realise the surety and transfer the funds to the administering authority's designated bank account. No liability is held by Treasury for any rehabilitation obligations.

All balances/transactions relating to the FP Fund are reported in the controlled financial statements. Fund contributions and assessment fees are recognised under user charges and fees (note 4). FP Fund cash is reported in note 12 and FP Fund investments are reported in note 14.

Balances/transactions relating to surety are reported either in the financial statements or disclosed as contingencies.

- Cash surety is reported as cash asset (note 12) with a corresponding payable to the holders (note 17), as the Fund obtains the interest benefit from the cash surety held.
- Forfeitures of surety held are recognised as other revenue and transferred to Department of Environment, Tourism, Science and Innovation and/or Department of Natural Resources and Mines, Manufacturing and Regional and Rural Development as grant expenses.

2 Objectives and major activities of the department (continued)

(b) Financial Provisioning Scheme (continued)

- Non-cash surety is disclosed in the contingency note (note 20). Non-cash surety is only redeemable for cash when claims are made. At reporting date, it is not possible to determine the quantum or timing of claims that will be made against the non-cash surety.
- Where a notice to provide surety has been issued and the surety payment is yet to be received from holders, the aggregate surety yet to be received is also disclosed in the contingency note (note 20).

(c) Machinery-of-government changes 2024–25

Transfer in - Controlled and Administered activities

Details of transfer:	Energy and Climate transferred from the former Department of Energy and Climate
Basis of transfer:	Public Service Departmental Arrangements Notice (No.9) 2024
Date of transfer:	Effective 1 November 2024

Transfer out - Controlled activities

Details of transfer:	Major Projects Development Team transferred to the Department of State Development, Infrastructure and Planning
Basis of transfer:	Public Service Departmental Arrangements Notice (No.10) 2024
Date of transfer:	Effective 1 December 2024

The assets and liabilities transferred as a result of this change were as follows:

	Controlled				Administered
	Transfer-In \$'000	Transfer-out \$'000	Total net transfer \$'000		Transfer-In \$'000
Cash	67,211	..	67,211		421,448
Receivables	6,215	..	6,215		6,302
Total current assets	73,426	..	73,426		427,750
Property, plant and equipment	288	9,432	(9,144)		..
Other non-current assets	..	304	(304)		..
Total non-current assets	288	9,736	(9,448)		..
Total assets	73,714	9,736	63,978		427,750
Payables	71,787	..	71,787		58,337
Accrued employee benefits	2,254	..	2,254		..
Transfer to Government payable	..	..	..		400
Total current liabilities	74,041	..	74,041		58,737
Interest bearing liabilities and derivatives	..	..	..		63,941
Total non-current liabilities	..	..	..		63,941
Total liabilities	74,041	..	74,041		122,678
Net assets/(liabilities)	(327)	9,736	(10,063)		305,072

2 Objectives and major activities of the department (continued)

(c) Machinery-of-government changes 2024–25 (continued)

A decrease in controlled net assets of \$10.063 million has been accounted for as a decrease in contributed equity as disclosed in the Controlled Statement of Changes in Equity.

Budgeted appropriation revenue of \$259.252 million (controlled books) and \$436.962 million (administered books) in 2024–25 was reallocated from the former Department of Energy and Climate and \$2.567 million (controlled books) was reallocated to the Department of State Development, Infrastructure and Planning as part of the machinery-of-government changes.

The administering department for Trade and Investment Queensland has changed from Treasury to the Department of Trade, Employment and Training effective 1 November 2024. Budgeted appropriation revenue of \$36.934 million in the administered books was re-allocated.

(d) Transfer of the Office of Productivity and Red Tape Reduction

The *Queensland Productivity Commission Act 2025 (QPC Act)* establishes the Queensland Productivity Commission (QPC) as an independent statutory body. This resulted in the transition of existing functions of the Office of Productivity and Red Tape Reduction within Treasury to the new Commission effective 22 April 2025. Total assets and liabilities of \$27,000 were transferred out to QPC.

Budgeted appropriation revenue of \$1.36 million was reallocated from Treasury controlled books to the administered books to provide grant funding to QPC. Also, budgeted appropriation revenue of \$96,000 in Treasury administered books was reallocated to provide grant funding to QPC.

(e) Climate risk disclosure

Whole-of-government climate-related reporting

The State of Queensland, as the ultimate parent of Treasury, provides information and resources on climate related strategies and actions accessible at <https://www.energyandclimate.qld.gov.au/climate>.

The Queensland Sustainability Report (QSR) outlines how the Queensland Government measures, monitors and manages sustainability risks and opportunities, including governance structures supporting policy oversight and implementation. To demonstrate progress, the QSR also provides time series data on key sustainability policy responses. The QSR is available via Queensland Treasury's website at <https://www.treasury.qld.gov.au/programs-and-policies/queensland-sustainability-report>.

Departmental accounting estimates and judgements – climate-related risks

Treasury considers climate-related risks when assessing material accounting judgements and estimates used in preparing its financial report. Key estimates and judgements identified include the potential changes in asset useful lives, changes in fair value of assets, impairment of assets and recognition of provisions or the possibility of contingent liabilities.

Based on our assessment, there is no direct impact on Treasury's accounts for 2024–25. No adjustments to the carrying value of assets were recognised during the financial year as a result of climate-related risks impacting current accounting estimates and judgements. No other transactions have been recognised during the financial year specifically due to climate-related risks impacting Treasury.

Treasury continues to monitor the emergence of material climate-related risks that may impact the financial statements, including directives from Government or Queensland Treasury Policy Division.

The fiscal impact of climate change on taxes and royalty revenue will emerge over the medium to long-term, along with the implications for the state's balance sheet. As at reporting date, the effect cannot be quantified.

QTH has not identified any material climate related risks relevant as at 30 June 2025 but will continuously monitor the emergence of such risks.

	Consolidated Entity		Parent Entity	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
3 Reconciliation of payments from Consolidated Fund to appropriated revenue recognised in the Statement of Comprehensive Income				
Original budgeted appropriation	537,520	454,969	537,520	454,969
Supplementary amounts:				
Transfer (to)/from other departments – redistribution of public business	14,068	..	14,068	..
Transfer (to)/from other headings (variation in headings)	..	6,511	..	6,511
Unforeseen expenditure*	74,492	2,819	74,492	2,819
Total appropriation received (cash)	626,080	464,299	626,080	464,299
Plus: opening balance of deferred appropriation payable to Consolidated Fund	31,894	57,636	31,894	57,636
Less: closing balance of deferred appropriation payable to Consolidated Fund	(204,747)	(31,894)	(204,747)	(31,894)
Plus: deferred appropriation payable MoG transfer in	69,154	..	69,154	..
Appropriation revenue recognised in Statement of Comprehensive Income	522,381	490,041	522,381	490,041
Variance between original budgeted and actual appropriation revenue	15,139	(35,072)	15,139	(35,072)
Reconciliation of payments from Consolidated Fund to appropriated equity adjustments recognised in contributed equity				
Original budgeted equity adjustment appropriation	135,807	229,239	135,807	229,239
Supplementary amounts:				
Transfer (to)/from other departments – redistribution of public business	(34,470)	..	(34,470)	..
Transfer (to)/from other headings (variation in headings)	..	(6,511)	..	(6,511)
Unforeseen expenditure**	20,235	..	20,235	..
Total equity adjustment payments	121,572	222,728	121,572	222,728
Less: opening balance of equity adjustment receivable	(59,255)	(5,294)	(59,255)	(5,294)
Plus: closing balance of equity adjustment receivable	6,084	59,255	6,084	59,255
Plus: opening balance of equity adjustment payable	7,553	16,154	7,553	16,154
Less: closing balance of equity adjustment payable	(12,242)	(7,553)	(12,242)	(7,553)
Plus: equity withdrawal payable (debit) transfer in	(54)	..	(54)	..
Appropriated equity adjustment recognised in contributed equity	63,658	285,290	63,658	285,290
Variance between original budgeted and actual equity adjustment appropriation	72,149	(56,051)	72,149	(56,051)

*Unforeseen expenditure for 2024–25 on departmental services of \$74.492 million were primarily due to additional funding for Regional Economic Futures Fund, Social Housing Energy Performance Initiative, and the draw down of funds held centrally for costs associated with the development of an investment proposal. These are partly offset by timing adjustments for various programs including Invested in Queensland Strategic Investment Scheme, Queensland Critical Minerals and Battery Technology Fund, whole-of-government financial reporting and budget management enterprise system, Advance Queensland Industry Attraction Fund, Investment Support Scheme and other operational projects.

**Unforeseen expenditure for 2024–25 on equity adjustment items of \$20.235 million were primarily due to additional funding for Flow Battery Manufacturers.

Accounting policy – Appropriation revenue

Appropriations provided under the *Appropriation Act 2024* are recognised as revenue when received under AASB 1058 *Income of Not-for-Profit Entities*. In some circumstances when approval is granted, a deferred appropriation payable is recognised with a corresponding reduction to appropriation revenue, reflecting the net appropriation revenue position in the Consolidated Fund for the reporting period.

Consolidated Entity		Parent Entity	
2025	2024	2025	2024
\$'000	\$'000	\$'000	\$'000

4 User charges and fees

Financial Provisioning Scheme Fund contributions	85,751	73,693	85,751	73,693
Sale of services from contracts with customers	11,953	12,969	11,953	12,969
Assessment fees	2,604	2,663	2,604	2,663
Other fees	12	9	12	9
	<u>100,320</u>	<u>89,334</u>	<u>100,320</u>	<u>89,334</u>

Accounting policy – User charges and fees

User charges and fees are recognised in accordance with the appropriate revenue accounting standard.

Treasury recognises revenue from sale of services to customers under AASB 15 *Revenue from Contracts with Customers*. Revenue is recognised when Treasury transfers control over the goods or service to the customer. Revenue from Queensland Government Statistician's Office and Queensland Revenue Office contracts with customers are recognised when the service has been provided. The contracts have specific performance obligations, and the timing of revenue recognition is when the specific performance obligation is satisfied which is at a point in time or over a period.

Revenue that is not within the scope of AASB 15 is recognised under AASB 1058 *Income of Not-for-Profit Entities* where revenue is recognised upfront or when the corresponding asset (cash or receivable) is recognised and received. Fund contributions and assessment fees from the Financial Provisioning Scheme are collected under the *MERFP Act 2018* and are recognised when an assessment is issued, and the corresponding receivable is recognised.

5 Interest revenue

Interest – Financial Provisioning Scheme	44,684	24,972	44,684	24,972
Interest – lease receivables*	5,949	6,675	1,283	1,913
Interest – QTC	4,820	5,660	..	..
Interest – loans and receivables**	853	1,340	..	..
Interest – others	914	1,198	..	..
	<u>57,220</u>	<u>39,845</u>	<u>45,967</u>	<u>26,885</u>

*Relates to interest recognised on lease receivable from Dalrymple Bay Coal Terminal Holdings (DBCTH) Pty Ltd and finance lease receivable (refer to note 13).

**Relates to interest recognised on the loan acquired from Brisbane Port Holdings Pty Ltd (BPH) following the long-term lease of the Port of Brisbane (refer to note 13).

Accounting policy – Interest revenue

Interest revenue is recognised using the effective interest rate and recognised on a proportional basis taking into account interest rates applicable.

	Consolidated Entity		Parent Entity	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
6 Other revenue				
General recoveries	6,874	1,466	6,874	1,466
Others*	4,186	17,608	3,892	17,154
Forfeitures revenue - Financial Provisioning Scheme	211	24,475	211	24,475
	<u>11,271</u>	<u>43,549</u>	<u>10,977</u>	<u>43,095</u>

* Mainly relates to repayment received for project support payments for Gibson Island Manufacturing facility (\$12.091 million) for 2023–24.

Accounting policy – Other revenue

Other revenue is recognised upfront or when the corresponding asset (cash/receivable) is recognised under AASB 1058 *Income for Not-for-Profit Entities*.

Forfeitures revenue is recognised when surety is forfeited arising from compliance action under the Financial Provisioning Scheme (refer to note 2(b)).

7 Employee expenses

Wages and salaries*	218,255	165,591	184,631	145,545
Annual leave levy	25,629	19,721	22,894	18,125
Employer superannuation contributions – accumulation schemes	27,565	20,558	23,378	18,075
Employer superannuation contributions – defined benefit scheme	2,948	3,076	2,948	3,076
Long service leave levy	5,506	4,185	5,270	4,072
Leave on-cost reimbursements	(2,497)	(2,180)	(2,497)	(2,180)
Other employee related expenses	11,097	6,727	3,784	2,944
Termination payments	1,397	183	1,397	183
Workers' compensation premium	688	473	126	106
	<u>290,588</u>	<u>218,334</u>	<u>241,931</u>	<u>189,946</u>

*The number of employees as at 30 June, including both full-time employees and part-time employees, measured on a full-time equivalent basis reflecting Minimum Obligatory Human Resource Information (MOHRI) methodology is:

Number of employees:	1,821	1,541	1,821	1,385
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Accounting policy – Employee expenses

Salaries and wages

Salaries and wages expenses due but unpaid at reporting date are recognised in the statement of financial position at the current salary rates. As Treasury expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts.

Sick leave

History indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised. As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

Annual leave and long service leave

Under the Annual Leave Central Scheme and Long Service Leave Scheme, a levy is made on Treasury to cover the cost of employees' annual leave (including leave loading and on-costs) and long service leave. The levies are expensed in the period in which they are payable. Amounts paid to employees for annual leave and long service leave are claimed from the scheme quarterly in arrears.

7 Employee expenses (continued)

No provision for annual leave and long service leave is recognised in Treasury's financial statements, the liability being held on a whole-of-government basis and reported in those financial statements prepared pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Superannuation

Post-employment benefits for superannuation are provided through defined contribution (accumulation plans) or the Queensland Government's defined benefit plan (the former QSuper defined benefit categories now administered by the Government Division of the Australian Retirement Trust) as determined by the employee's conditions of employment.

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

For the defined benefit plan, the liability is held on a whole-of-government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*. The amount of contributions is based upon the rates determined on the advice of the State Actuary. Contributions are paid by Treasury at the specified rate following completion of the employee's service each pay period. Treasury's obligations are limited to those contributions paid.

Key management personnel and remuneration

The Ministers are identified as part of the Treasury's key management personnel (KMP), consistent with additional guidance included in AASB 124 *Related Party Disclosures*. The Ministers are the Treasurer, Minister for Energy, and Minister for Home Ownership and Minister for Finance, Trade, Employment and Training. The previous Minister was the Deputy Premier, Treasurer and Minister for Trade and Investment from July 2024 to October 2024.

The Treasurer's remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. Treasury does not bear any cost of remuneration of Ministers. The majority of ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Services Branch within the Department of the Premier and Cabinet. As all Ministers are reported as KMP of the Queensland Government, aggregate remuneration expenses for all Ministers are disclosed in the Queensland General Government and whole-of-government Consolidated Financial Statements, which are published as part of Treasury's Report on State Finances.

Remuneration policy for Treasury's other KMP is set by the Queensland Public Sector Commission as provided for under the *Public Sector Act 2022*. Individual remuneration and other terms of employment (including motor vehicle entitlements if applicable) are specified in employment contracts. No non-ministerial KMP remuneration packages provide for performance or bonus payments.

Remuneration expenses for those KMP comprise the following components:

Short term employee expenses, including:

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

Long term employee expenses include amounts expensed in respect of long service leave entitlements earned.

Post-employment expenses include amounts expensed in respect of employer superannuation obligations.

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

Transactions with people/entities related to KMP

There are no related party transactions with the Treasury consolidated entity that involve KMP, close family members and/or their personal business interests.

The following table for non-ministerial KMP reflect those departmental positions that had authority and responsibility for planning, directing and controlling the activities of Treasury during the respective reporting periods. Further information about these positions can be found in the body of the Annual Report under the section relating to Executive Management.

The amounts disclosed below reflect expenses recognised in the Statement of Comprehensive Income.

Employee expenses (continued)
7 Employee expenses – Key management personnel and remuneration (continued)
1 July 2024 – 30 June 2025

Position	Responsibilities	Dates acted in the position	Short term employee expenses	Long term employee expenses	Post-employment expenses	Termination benefits	Total
			Monetary expenses* \$'000	\$'000	\$'000	\$'000	\$'000
Under Treasurer	Responsible for executive leadership, strategic direction of the department and whole-of-government financial management	24-Feb-25 to current	254	6	30	..	290
Acting Under Treasurer		4-Nov-24 to 21-Feb-25	221	5	25	..	251
Under Treasurer		2-Oct-23 to 1-Nov-24	233	5	27	460	725
Deputy Under Treasurer	Responsible for Economics and Fiscal	27-May-22 to current	305	8	35	..	348
Head, Strategic Policy	Responsible for Strategic Policy	1-Dec-21 to current	283	7	33	..	323
Deputy Under Treasurer	Responsible for Social, Intergovernmental and Corporate	5-Feb-24 to current	313	8	36	..	357
Deputy Under Treasurer	Responsible for Industry, Investment and Commercial	14-Apr-25 to current	159	4	20	..	183
Acting Deputy Under Treasurer		13-Feb-23 to 1-Nov-24					
Commissioner of State Revenue and Registrar of SPER	Responsible for the Queensland Revenue Office	25-Aug-23 to current	332	8	38	..	378
Acting Deputy Under Treasurer	Responsible for Energy and Climate	1-Nov-24 to 27-Jun-25	187	5	24	..	216
Total Expenses			2,422	60	283	460	3,225

*Treasury does not have any non-monetary benefits to disclose in relation to its KMP.

7 Employee expenses – Key management personnel and remuneration (continued)

1 July 2023 – 30 June 2024

Position	Responsibilities	Dates acted in the position	Short term employee expenses	Long term employee expenses	Post-employment expenses	Total
			Monetary expenses* \$'000	\$'000	\$'000	\$'000
Under Treasurer	Responsible for executive leadership, strategic direction of the department and whole-of-government financial management	2-Oct-23 to 1-Nov-24	506	11	53	570
Acting Under Treasurer		16-Feb-23 to 1-Oct-23	158	4	26	188
Deputy Under Treasurer	Responsible for Economics and Fiscal	27-May-22 to current	285	7	37	329
Head, Strategic Policy	Responsible for Strategic Policy	1-Dec-21 to current	269	6	36	311
Acting Deputy Under Treasurer	Responsible for Social, Intergovernmental and Corporate	5-Feb-24 to current	125	3	14	142
Acting Deputy Under Treasurer		16-Feb-23 to 4-Feb-24	179	4	26	209
Deputy Under Treasurer	Responsible for Industry, Investment and Commercial	13-Feb-23 to 1-Nov-24	299	7	39	345
Commissioner of State Revenue and Registrar of SPER	Responsible for the Queensland Revenue Office	26-Aug-23 to current	250	6	33	289
Acting Commissioner of State Revenue and Registrar of SPER		19-Jun-23 to 25-Aug-23	50	1	6	57
Total Expenses			2,121	49	270	2,440

*Treasury does not have any non-monetary benefits to disclose in relation to its KMP.

	Consolidated Entity		Parent Entity	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
8 Supplies and services				
Contractors and employment agency charges	244,761	167,673	62,561	57,435
Computer charges	41,875	39,354	38,932	35,259
Property charges and fees	40,537	48,798	28,889	26,722
Professional legal fees, service fees and charges	15,001	15,482	14,598	15,122
Telecommunications, advertising and other materials and equipment	18,399	15,921	16,631	13,205
Consultants	4,894	4,313	4,894	4,313
Other supplies and services	4,603	4,613	926	1,886
	<u>370,070</u>	<u>296,154</u>	<u>167,431</u>	<u>153,942</u>

Accounting policy – Supplies and services

Treasury recognises expenses when incurred, usually when goods are received, or services are consumed, which may not be when the goods or services are paid for.

Payments for non-specialised commercial office accommodation under the Queensland Government Accommodation Office framework arise from non-lease arrangements with the Department of Housing and Public Works, which has substantive substitution rights over the assets used within the scheme. Payments are expensed as incurred and categorised within property charges and fees.

Lease arrangements that are of low value and short term are also expensed when incurred.

9 Grants and subsidies

Private and not-for-profit entities	117,595	175,957	117,595	175,957
Queensland Government entities	20,945	27,090	20,945	27,090
	<u>138,540</u>	<u>203,047</u>	<u>138,540</u>	<u>203,047</u>

Accounting policy – Grants and subsidies

Grants and subsidies are recognised when the grant/subsidy has been paid or when the recipient incurs the right to receive the grant.

Grants to private and not-for-profit entities represent payments mainly for the development of an investment proposal for a major road project (\$33 million), Regional Economic Future Funds (\$27.045 million), assistance agreement with a private entity (\$22.6 million), Backing Business in The Bush Fund (\$5.826 million) and Queensland Business Energy Saving and Transformation Program (\$3 million).

Grants - Queensland Government entities relate to grant payments to the Department of Housing and Public Works for Social Housing Energy Program (\$10.4 million) and grants paid to the Department of Natural Resources and Mines, Manufacturing and Regional and Rural Development for remediation of abandoned mines.

	Consolidated Entity		Parent Entity	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
10 Losses on assets				
Loss on other assets*	18,953	62	..	62
Net loss on fair value movement of investments**	2,936	4,642	2,936	4,642
Loss on licence fee receivable***	..	1,505	..	..
	<u>21,889</u>	<u>6,209</u>	<u>2,936</u>	<u>4,704</u>

*Mainly relates to impairment of land (\$18.878 million) held by Queensland Hydro before derecognition (note 21).

**Net loss on fair value movement of investments in QIC Limited Managed Funds (note 14).

***Net gain on license fee receivable in 2024-25.

11 Other expenses

Financial Assurance Reform return of funds to Consolidated Fund	7,893	3,484	7,893	3,484
Bank charges	2,831	2,532	2,831	2,532
External audit fees*	1,284	967	1,052	810
Internal audit fees	828	692	828	692
Qld Government Insurance Fund – insurance premiums	55	58	55	58
Special payments**	221	135	..	..
Sundry expenses	1,812	1,946	484	307
	<u>14,924</u>	<u>9,814</u>	<u>13,143</u>	<u>7,883</u>

*Total departmental audit fee quoted by the Queensland Audit Office relating to the 2024–25 financial statements for the parent entity is \$667,105 (2024: \$544,250), which excludes the whole-of-government financial statement audit costs. The whole-of-government audit fee for 2024–25 is \$284,130 (2024: \$258,300). The 2024–25 amount includes audit fee expenses (\$79,917) passed on by the former Department of Energy and Climate relating to the Energy and Climate functions transferred into Treasury (note 2 (c)).

**Special payments include ex-gratia payments made to Queensland Hydro's employees as part of the Deed of Separation.

12 Cash and cash equivalents

Cash at bank – Surety	281,815	276,590	281,815	276,590
Cash at bank – other controlled accounts	216,140	18,108	216,132	5,450
QTC Cash Fund	136,153	165,811	31,939	30,068
Cash at bank – Fund	18,184	7,720	18,184	7,720
	<u>652,292</u>	<u>468,229</u>	<u>548,070</u>	<u>319,828</u>

Accounting policy – Cash and cash equivalents

Cash assets include all cash and deposits at call with financial institutions. QTC Cash Fund is utilised for short-term investments that are readily convertible to cash at Treasury's option and are subject to a low risk of changes in value. Cash at bank – Surety relates to the surety received for the Financial Provisioning Scheme. Cash at bank – Fund relates to the contributions and fees received for the Financial Provisioning Scheme.

Cash at bank - other controlled accounts include cash at bank with the former Department of Energy and Climate.

Bank accounts grouped within the whole-of-government set-off arrangement with QTC do not earn interest on surplus funds. Interest earned on the aggregate set-off arrangement balance accrues in the Consolidated Fund.

	Consolidated Entity		Parent Entity	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
13 Receivables				
Current				
Trade debtors	16,481	7,112	16,481	7,112
Less: allowance for impairment	..	(14)	..	(14)
	16,481	7,098	16,481	7,098
Finance lease receivable	7,253	7,035	7,253	7,035
Loan receivable	9,201	8,712	..	..
Equity injection receivable	6,084	59,254	6,084	59,254
Annual leave and long service leave reimbursements	5,306	4,160	5,306	4,160
Lease receivable	1,886	1,805	..	..
Sundry receivables	4,545	14,110	4,545	11,646
	34,275	95,076	23,188	82,095
Total current	50,756	102,174	39,669	89,193
Non-current				
Lease receivable	94,305	96,192	..	..
Finance lease receivable	30,989	38,242	30,989	38,242
Loan receivable	..	8,636	..	..
Total non-current	125,294	143,070	30,989	38,242

Accounting policy – Receivables

Receivables are measured at amortised cost which approximates their fair value at reporting date.

Trade debtors are recognised at the amounts due at the time-of-service delivery i.e. the agreed purchase/contract price. Settlement is generally required within 30 days from invoice date.

Loans receivable includes the Port of Brisbane loan receivable which is a non-derivative financial asset that is not quoted in an active market and is carried at amortised cost using the effective interest method. This is discounted at 6.55% and includes the rights to fixed annual payments up to 31 December 2025.

Lease receivable represents payments due from the Dalrymple Bay Coal Terminal Holdings Pty Ltd as primary lessee under the plant lease, on-shore sub-lease, offshore sub-sub-lease and road sub-sub-lease. The terms of the plant lease and on-shore sub-lease are 50 years each (26 years remaining), with options to renew for a further 49 years, while the off-shore sub-sub-lease and road sub-sub-lease terms are 99 years each. There are no guaranteed residuals for any of the leases. This does not qualify as a lease arrangement within the scope of AASB 16 *Leases*.

Accounting policy – Impairment of receivables

Loss allowance for trade debtors reflects expected credit losses and incorporates reasonable and supportable forward-looking information, including the impact of expected economic changes to Treasury's debtors, alongside with relevant industry data where applicable. The most readily identifiable loss event is where a debtor is overdue in paying a debt to Treasury and its controlled entities, according to the due date (normally terms of 30 days).

There is no allowance for impairment loss recognised for Treasury's receivables from Queensland Government agencies or Australian Government agencies based on materiality. Credit risk for these receivables is considered low.

If there is no expected credit loss event in respect of a debtor or group of debtors, no allowance for impairment loss is made with respect of that debt/group of debtors. If Treasury and its controlled entities determine that an amount owing by such a debtor does become uncollectable (after an appropriate range of debt recovery actions), that amount is recognised as a bad debt expense and written off directly against receivables.

13 Receivables (continued)

Credit risk exposure of receivables

The maximum exposure to credit risk at balance date is the gross carrying amount of the receivables.

Credit risk exposure refers to the situation where Treasury and its controlled entities may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation. Credit risk is managed pursuant to internal policies. These focus on the prompt collection of revenues due and payable to Treasury and follow-up of outstanding fees and charges within specified timeframes. Any write-offs require high level approval.

Treasury measures the lifetime expected credit loss on receivables using a provision matrix based on the ageing of debts. Receivables of an operating nature are assessed for probability of default or non-collection. Other factors such as payment arrangements and forward-looking information such as economic factors affecting the payment capacity and ability of debtors are also considered.

Accounting policy – Finance lease

Treasury has recognised a finance lease receivable under AASB 16 as all the risks and rewards of ownership of the property have passed on to the lessee. Treasury does not retain the rights associated with the underlying assets. The finance lease is under a 10-year lease agreement with a private entity, where lease repayments will be made to Treasury over the term of the lease. Finance lease receivables are recognised at amounts representing the net investment in the lease. The implicit interest is recognised over the term of the lease as interest income.

The following table sets out the maturity analysis of future undiscounted lease payments receivable under the finance lease.

	2025	2024
	\$'000	\$'000
Less than 1 year	8,318	8,318
1 to 5 years	32,936	33,272
More than 5 years	..	7,983
Total	41,254	49,573

	Consolidated Entity		Parent Entity	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
14 Other financial assets				
Current				
FP Fund – Cash Enhanced Fund	..	20,216	..	20,216
	..	20,216	..	20,216
Non-current				
Backing Queensland Business Investment Fund	481,597	400,122	481,597	400,122
FP Fund – Long Term Diversified Fund (LTDF)	346,068	218,684	346,068	218,684
Licence fee receivable*	97,146	82,464	..	..
Business Development Fund	4,454	7,161	4,454	7,161
Investment in Repluca	1,690	1,617	1,690	1,617
	930,955	710,048	833,809	627,584

*The fair value is estimated based on projected trade volume and price growth taking into account the current economic conditions and is discounted at a rate of 11.61% (2024: 11.4%). The discount rate is applied against expected cash flow under a revenue sharing arrangement based on a pre-tax discount rate.

Accounting policy – Other financial assets

Treasury carries equity investments and other financial assets at fair value through profit and loss (FVTPL) under AASB 9 *Financial Instruments*.

FP Fund – Cash Enhanced Fund

In 2023–24, Treasury's FP Fund invested in QIC Limited Cash Enhanced Fund in accordance with the requirements of *MERFP Act 2018*. The Fund invested in a short-term, liquid portfolio of low-risk discount securities, term deposits and short-term floating rate notes. The investment was measured at FVTPL based on the net asset value of the fund as provided by QIC Limited as at reporting date. The fair value hierarchy for the FP Fund was a Level 2 input as it was based on substantially derived inputs that are observable either directly or indirectly. The fund was closed in July 2024, and all fund monies were transferred to the FP Fund – LTDF.

Backing Queensland Business Investment Fund

Treasury established the Backing Queensland Business Investment Fund (BQBIF) as part of Queensland Government's COVID-19 Fiscal and Economic Review.

Currently, the BQBIF is composed of 5 sub-funds:

- 1) Business Investment Fund (BIF) – promote increased access to growth-stage capital (gross value \$150 million; 2024: \$80 million)
- 2) Enterprise Acceleration Fund (EAF) – promote jobs growth, increase access to early stage capital (gross value \$37.652 million; 2024: \$33.787 million)
- 3) Queensland Venture Capital Development Fund (QVCDF) – to build depth in venture capital market through a matched funding program for venture capital funds (gross value \$130 million; 2024: \$130 million)
- 4) Queensland Critical Minerals and Battery Technology Fund (QCMBTF) – to support businesses across the critical mineral supply chain in Queensland (gross value \$150 million; 2024: \$150 million)
- 5) Queensland Battery Acceleration Trust (QBAT) – to provide financial support for flow battery proponents (gross value \$15 million in 2025)

The BQBIF is managed by QIC Limited and measured at FVTPL based on the net asset value of the fund as provided by QIC Limited as at reporting date. The fair value hierarchy for the BQBIF is a Level 2 input as it is based on substantially derived inputs that are observable either directly or indirectly.

14 Other financial assets (continued)

FP Fund – LTDF

Treasury's FP Fund also invests in QIC Limited LTDF in accordance with the requirements of *MERFP Act 2018*. The fund invests in global equities, global fixed interests and diverse range of alternative asset classes to optimise the risk and return over the medium and long-term with the focus in growth rather than income. The investment is measured at FVTPL based on the net asset value of the fund as provided by QIC Limited as at reporting date. The fair value hierarchy is a Level 2 input as it is based on substantially derived inputs that are observable either directly or indirectly.

Licence fee receivable

QTH carries licence fee receivable as a financial asset at FVTPL. The fair value of the licence fee receivable is based on a revenue sharing arrangement whereby Brisbane Port Holdings Pty Ltd (BPH), a controlled entity of QTH, was to receive a percentage of revenue above a hurdle amount from the Port Manager, Port of Brisbane Pty Ltd (PBPL), for a period of 35 years. In 2011, QTH made an upfront payment of \$121 million to BPH for the rights to these cash flows using funds provided from QTC. The upfront payment was based on assumed volume growth for the Port of Brisbane using macroeconomic forecasts combined with analysis of local market and supply chain constraints. The licence fee which is payable up to 2050 has been valued using the present discounted value of the future expected cash flows. These cash flows are discounted at a rate which considers the risks and uncertainties which exposes QTH to volatility over future revenues and therefore the valuation of the investment. At each balance date the receivable is reviewed incorporating current projections of trade volumes and price growth. This method is used to estimate the fair value as there is no active market for a receivable of this type.

A gain on fair value movement of \$14.682 million is recognised in the Statement of Comprehensive Income (2024: loss of \$1.505 million was recognised in note 10).

Business Development Fund

The Business Development Fund (BDF) invests in emerging and innovative Queensland businesses. The BDF is managed by QIC Limited. The fair value hierarchy for the BDF is a level 2 input as it is based on substantially derived inputs that are observable either directly or indirectly. Investment in the BDF provides the co-investor with a call option (from the 2nd to 5th year of investment) and the BDF with a put option under limited circumstances (over the life of investment). The BDF treats the call and put options as embedded derivatives of the equity investment as they are closely related to the investment, and accounts for the entire investment as a single financial instrument. The fair value is determined depending on the holding period of the investment in the fund as follows:

- (a) Investments held for less than 2 years – initial cost of investment
- (b) Investments held between 2–5 years – cost plus interest (with interest calculated as QTC's 10-year bond rate plus 2%) as the call option provides a cap for any increase in fair value
- (c) Investment held for more than 5 years – based on latest equity raised.

Over the life of the investment, decrease in fair value will be assessed for each investment by identifying any indicators of fair value drop based on information provided by the investees' management teams and may include valuations attributed to the investee as a result of subsequent funding rounds, audited or unaudited financial statements, cash flow projections and other management reports.

There are no additional investments to Queensland businesses under the BDF. Any available uncommitted funds held in the BDF are transferred to the EAF.

	Consolidated Entity		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
15 Property, plant and equipment				
Land – at fair value	162,500	165,000	162,500	165,000
Plant and equipment – at cost	1,272	2,174	1,272	875
Less: accumulated depreciation	(890)	(505)	(890)	(395)
Net carrying amount	382	1,669	382	480
Heritage and cultural assets – at fair value	221	..	221	..
Land held for construction – at cost	..	54,732	..	..
Work in progress – at cost	..	3,220	..	3,220
Total property, plant and equipment	163,103	224,621	163,103	168,700

Accounting policy – Property, plant and equipment

Recognition

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

- Land	\$1
- Buildings	\$10,000
- Plant and equipment	\$5,000
- Heritage and cultural assets	\$5,000

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

Historical cost is used for the initial recording of all property, plant and equipment acquisitions. Historical cost is determined as the value given as consideration and costs incidental to the acquisition, plus all other costs incurred in getting the assets ready for use.

Measurement

Land, buildings and heritage and cultural assets are measured at fair value as required by Treasury's Non-Current Asset Policies for the Queensland Public Sector. This is reported at the revalued amounts, being the fair value at the date of valuation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses where applicable.

Plant and equipment are measured at historical cost in accordance with Treasury's Non-Current Asset Policies for the Queensland Public Sector. The carrying amounts are not materially different from their fair value.

Land that is acquired and held for construction prior to cost being incurred for the capital project is recognised and valued at cost and will not be depreciated and revalued. Once project costs are recognised, the value of the land will be transferred to work in progress account.

Costs incurred for work in progress are valued at cost and will not be depreciated and revalued. Costs are capitalised and included in work in progress to the extent they are directly attributable to the construction of the asset. Those benefits not directly attributable are expensed.

15 Property, plant and equipment (continued)

Revaluation at fair value

Land and heritage and cultural assets measured at fair value is assessed on an annual basis either by appraisals undertaken by an independent professional valuer or by use of appropriate and relevant indices.

Any revaluation increment arising on the revaluation of an asset is credited to the asset revaluation surplus of the appropriate class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation surplus relating to that class.

Depreciation

Property, plant and equipment is depreciated on a straight-line basis to allocate the net cost or revalued amount of each asset, less any estimated residual value, progressively over its estimated useful life to the department. Straight line depreciation is used as that is consistent with the even consumption of service potential of these assets over their useful life to Treasury.

Land and heritage and cultural asset are not depreciated as they have an unlimited useful life.

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

Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to the department.

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

Property, plant and equipment	Depreciation rate
Plant and equipment	20% – 33%

Impairment

All property, plant and equipment are assessed for indicators of impairment on an annual basis, or where the asset is measured at fair value, for indicators of a change in fair value/service potential since the last valuation was completed. Where indicators of a material change in fair value or service potential since the last valuation arise, the asset is revalued at the reporting date under AASB 13 *Fair Value Measurement*. If an indicator of possible impairment exists, Treasury determines the asset's recoverable amount under AASB 136 *Impairment of Assets*. Recoverable amount is equal to the higher of the fair value less costs of disposal and the asset's value in use.

For assets measured at fair value, the impairment loss is treated as a revaluation decrease and offset against the revaluation surplus of the relevant asset class to the extent available. Where no revaluation surplus is available for the asset class, an impairment loss is recognised in the Statement of Comprehensive Income. When the asset's carrying amount exceeds the recoverable amount, an impairment loss is recognised.

Land

On 16 May 2022, Treasury purchased the South Brisbane property for the contract price of \$165 million. The property includes land and buildings currently used as a glass manufacturing and recycling facility.

In 2022–23, an increase in the value of the land amounting to \$88 million was recognised as a revaluation increase resulting in the total purchase price of \$165 million attributed to the land. The building was considered as having no future economic benefit to Treasury as its highest and best use is for redevelopment which will occur once the buildings are demolished. As a result, the building was derecognised in accordance with the requirements of AASB 116 *Property, Plant and Equipment*. A separate report prepared in 2022 at the time of purchase identified the presence of contamination consistent with the heavy industry manufacturing use on the land. The contamination on the land was reported to the Department of Environment, Tourism, Science and Innovation on 11 April 2023.

Based on the comprehensive independent valuation report for 2024–25, the fair value of the land is \$162.5 million (2024: \$165 million) based on its highest and best use using a market approach. The change in the fair value is mainly a result of increase in market price of the property offset by the remediation cost estimate of \$73.7 million. The estimate is for the full remediation of the contamination on the land to allow for its unrestricted use in the future. The fair value hierarchy for the land is a Level 2 input.

15 Property, plant and equipment (continued)

Reconciliation	Land		Plant and equipment		Heritage and cultural assets		Land held for construction		Work in progress		Total (Consolidated Entity)	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Carrying amount at 1 July	165,000	165,000	1,669	673	..	..	54,732	6,725	3,220	..	224,621	172,398
Acquisitions	..	..	4,786	1,270	..	..	27,298	48,007	38,742	3,220	70,826	52,497
MoG transfer-in/	..	..	67	..	221	..	..	..	(9,432)	..	(9,144)	..
Transfer out	..	..	(5,358)	..	..	..	(63,152)	..	(32,530)	..	(101,040)	..
Disposals / derecognition	..	..	(5,358)	..	..	..	(63,152)	..	(32,530)	..	(101,040)	..
Revaluation decrement/impairment	(2,500)	..	..	..	..	..	(18,878)	..	..	..	(21,378)	..
Depreciation	..	..	(782)	(274)	..	..	..	..	..	..	(782)	(274)
Carrying amount at 30 June	162,500	165,000	382	1,669	221	..	..	54,732	..	3,220	163,103	224,621

Consolidated Entity		Parent Entity	
2025	2024	2025	2024
\$'000	\$'000	\$'000	\$'000
(178)	(178)	..	..
7,231	11,636	..	..
..	2,378		
16	10	..	..
..	2	..	..
7,069	13,848	..	..

16 Deferred tax asset

Attributable to temporary differences:

Investments in subsidiaries – DBCTH	(178)	(178)	..	..
Long term receivable – licence fee*	7,231	11,636	..	..
Leases and employee benefits	..	2,378		
Accrued audit fees	16	10	..	..
Subsidiary tax loss carry forward	..	2	..	..
	<u>7,069</u>	<u>13,848</u>	<u>..</u>	<u>..</u>

Accounting policy – Deferred tax asset

Deferred tax liabilities are recognised for all taxable temporary differences between the carrying amount of assets and the corresponding tax base which is netted off against deferred tax asset.

*QTH has recognised a deferred tax asset in relation to the difference between the purchase price of a long-term receivable and its carrying amount. This receivable was originally recognised by QTH in 2011 at \$121.2 million and is currently recognised at its fair value of \$97 million due to the timing of the related cash flows which have been forecast to 2050. The long-term receivable has been discounted at 11.61% (2024: 11.4%) based on a pre-tax discount rate. The associated deferred tax asset has not been discounted based on the requirement of AASB 112 *Income Taxes*.

	Consolidated Entity		Parent Entity	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
17 Payables				
Current				
Cash surety payable	281,815	276,590	281,815	276,590
Deferred appropriation payable to Consolidated Fund	204,747	31,894	204,747	31,894
Trade creditors	15,743	46,183	15,743	16,886
Equity withdrawal payable	12,243	7,553	12,243	7,553
Other payables*	949	1,656	483	875
	<u>515,497</u>	<u>363,876</u>	<u>515,031</u>	<u>333,798</u>

*Other payables include interdepartmental payable and taxes payable.

Accounting policy – Payables

Current payables are recognised upon receipt of goods and services at the agreed purchase price. Amounts owing are paid within 20 calendar days for eligible invoices for small businesses as per the Queensland Government On-Time Payment Policy.

Cash surety for the Financial Provisioning Scheme is recognised as a liability when the cash is received. The surety is payable on demand to the environmental authority holder as the surety provided can be replaced with another form of surety approved by the Scheme Manager.

Deferred appropriation for services payable is recognised to reflect unused appropriation funding by Treasury to be returned to the Consolidated Fund. Refer to note 3 for recognition of deferred appropriation for departmental services payable.

18 Interest bearing liabilities

Current loans with QTC

Long-term lease loan**	1,886	1,805	..	..
	<u>1,886</u>	<u>1,805</u>	<u>..</u>	<u>..</u>

Non-current loans with QTC

Long-term lease loan**	94,305	96,192	..	..
	<u>94,305</u>	<u>96,192</u>	<u>..</u>	<u>..</u>

**The Dalrymple Bay Coal Terminal long-term Lease Loan of QTH from QTC, a related party, is for a period of 50 years (26 years remaining), unless terminated earlier. Interest on the loan is fixed at 4.8% per annum, calculated on the daily balance and payable in arrears on each date rent is payable. A first ranking registered fixed and floating charge has been granted by DBCTH in favour of QTC over all the assets and undertakings of DBCTH.

Accounting policy – Interest bearing liabilities

Interest bearing liabilities are recognised initially at fair value, net of transaction costs incurred with subsequent measurement at amortised cost using the effective interest rate method. Interest and fees payable are recognised in the period in which they are incurred.

	Consolidated Entity		Parent Entity	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
19 Commitments				
Capital expenditure commitments				
Commitments for capital expenditure, inclusive of GST, contracted for but not recognised in the financial statements are payable as follows:				
Not later than one year	315	4,623	315	2,056
Later than one year and not later than 5 years	..	345	..	345
Later than 5 years	..	..	..	..
Total commitments	315	4,968	315	2,401

The decrease is due to commitments for a major project recognised in 2023–24 which was transferred out as part of the machinery-of-government changes. Refer to note 2(c).

20 Contingencies

Financial Provisioning Scheme

Treasury holds non-cash surety in the form of bank guarantees and insurance bonds. Non-cash surety held by the Scheme Manager at 30 June 2025 is:

- Bank guarantees \$5,945,462 million (2024: \$5,817.705 million)
- Insurance bonds \$1,475.312 million (2024: \$1,699.635 million)

As at 30 June 2025, notices to provide surety have been issued to environmental authority holders for an aggregate value of \$206.085 million (2024: \$55.998 million).

Guarantees

Guarantees held include bank guarantees in relation to the Advance Queensland Industry Attraction Fund, Jobs and Regional Growth Fund and Backing Business in The Bush Fund for financial security against non-conformance of grant agreements. The total value of bank guarantees as at 30 June 2025 is \$52.369 million (2024: \$52.283 million).

Other bank guarantees and bonds held as at 30 June 2025 amounts to \$97.56 million (2024: \$80 million).

Environmental obligations

QTH has exposure to claims made against it through its subsidiaries and associated companies in relation to any pre-existing contamination of land assets. At balance date, there have been no claims made against QTH.

Land Tax

Under the Port of Brisbane Share Sale and Purchase Agreement, the state has agreed to pay to the port lessee any portion of the port lessee's land tax liability in years the land tax assessment for the leased area exceeds the estimated land tax assessment. The obligations are subject to certain conditions, including the lessee pursuing any objection available to it in relation to an assessment, and are limited to assessment years up to and including 30 June 2025. At balance date, there have been no payments made to the port lessee.

21 Controlled entities

The following entities are controlled by Treasury:

Name of Entity	Purpose and principal activities of the entity	% Interest in entity and basis of control	Total assets \$'000		Total liabilities \$'000		Total revenue \$'000		Operating result \$'000	
			2025	2024	2025	2024	2025	2024	2025	2024
Queensland Treasury Holdings Pty Ltd	Acts as corporate vehicle through which the Queensland Government invests in assets of strategic importance to the state	The Under Treasurer holds 60% of class "A" shares enabling control	314,355	302,077	96,657	98,778	25,315	10,711	14,399	4,023
Queensland Hydro Pty Ltd	State-owned proprietary limited company responsible for planning, delivering and operating Pumped Hydro Energy Storage assets	The Under Treasurer held 100% shares enabling control (until 11 June 2025)	..	125,012	..	39,097	914	1,198	(279,515)	(177,275)

QTH holds 100% ownership interest in the following controlled entities:

- Brisbane Port Holdings Pty Ltd
- DBCT Holdings Pty Ltd
- Queensland Lottery Corporation Pty Ltd
- Queensland Airport Holdings (Cairns) Pty Ltd (dormant)
- Queensland Airport Holdings (Mackay) Pty Ltd (dormant)
- Network Infrastructure Company Pty Ltd (dormant)

Queensland Hydro is a state-owned proprietary limited company established on 3 August 2022 as a wholly owned subsidiary of Powerlink. On 30 September 2022, shares were transferred from Powerlink to the Under Treasurer as the Trustee for the State under a Trust Deed and has become 100% state-owned entity. On 11 June 2025, Treasury entered into an Investment Development Management Agreement (IDMA) with QIC to transfer oversight of Queensland Hydro and the Trust Deed between the State and Treasury has been terminated. This resulted to Queensland Hydro ceasing as a controlled entity of Treasury in compliance with the requirements of *AASB 10 Consolidated Financial Statements*.

The consolidated financial statements of Treasury comprise the transactions and balances of Treasury and its controlled entities. The consolidated statement of financial position as at 30 June 2025 reflects the derecognition of Queensland Hydro's assets and liabilities. The consolidated statement of comprehensive income includes the income and expenses of Queensland Hydro from 1 July 2024 to 11 June 2025 (effective date for the loss of control).

A gain on derecognition of \$193.6 million was recognised in the consolidated statement of comprehensive income as a result of the loss of control in Queensland Hydro. The gain represents the negative net equity of Queensland Hydro as at 11 June 2025 as follows:

	2025 \$'000
Total assets	141,719
Total liabilities	335,319
Net equity	(193,600)
Fair value of consideration received	-
Less: Treasury's share (100%) in Queensland Hydro's net equity as at the 11 June 2025	(193,600)
Gain recognised on derecognition of Queensland Hydro as a controlled entity	193,600

The auditor for Treasury and all controlled entities is the Auditor-General of Queensland.

22 Events occurring after balance date

Under the terms of a royalty deferral arrangement, Treasury opened a bank account for insurance and security purposes. On 14 August 2025, Treasury deposited \$2.6 million into this account in lieu of a royalty deferral in accordance with the terms of that arrangement.

In May 2025, Government approved the transfer of the South Brisbane property to the Department of State Development, Infrastructure and Planning. The actual transfer is scheduled to occur in September/October 2025.

There are no other matters or circumstances which have arisen since the end of the financial year that have significantly affected Treasury and its controlled entities except for those mentioned in note 20 above and note 39.

23 Financial instruments

(a) Accounting policy

Recognition

Financial assets and financial liabilities are recognised in the Statements of Financial Position when Treasury becomes party to the contractual provisions of the financial instrument.

Classification

Financial instruments are classified and measured as follows:

1. Financial assets – held at amortised cost
 - Receivables including loans and advances (notes 13 and 36)
2. Financial assets – held at fair value through profit and loss (notes 14 and 37)
 - Licence fee receivable
 - Other financial assets
 - Investment in BQBIF
 - Investment in BDF
 - Investment in Repluca
 - Investment in the FP Fund – LTDF
 - Investment in the Queensland Future Fund*
3. Financial liabilities – held at amortised cost
 - Payables (note 17)
 - Interest bearing liabilities – Commonwealth borrowings, QTC borrowings and advances payable to Government-Owned Corporation (GOCs), QTH long-term lease loan (notes 18 and 38)

Disclosures on the administered financial instruments are included in note 40.

*Investment in the Queensland Future Fund is included as part of “Other Financial Assets” category in Note 40(a).

(b) Categorisation of financial instruments

Category	Note	Consolidated Entity	
		2025 \$'000	2024 \$'000
Financial assets			
Cash and cash equivalents	12	652,292	468,229
Receivables	13	176,050	245,244
Other financial assets	14		
Investment in BQBIF		481,597	400,122
Investment in FP – LTDF		346,068	218,684
Licence fee receivable		97,146	82,464
Investment in FP – Cash Enhanced Fund		..	20,216
Investment in BDF		4,454	7,161
Investment in Repluca		1,690	1,617
Total		1,759,297	1,443,737
Financial liabilities			
Payables	17	515,427	363,473
Interest bearing liabilities	18	96,191	97,997
Total		611,618	461,470

23 Financial instruments (continued)

(c) Financial risk management

The consolidated entity's activities expose it to a variety of financial risks – credit risk, liquidity risk and market risk.

Financial risk management is implemented pursuant to government and Treasury policy. These policies focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the financial performance of Treasury.

Treasury and its controlled entities manage exposure to these financial risks through advice and consultation with QTC primarily in relation to borrowing activities and advice from QIC Limited on the investments. Risk management parameters are reviewed regularly to reflect changes in market conditions and changes to Treasury and its controlled entities' activities.

(d) Liquidity risk

Liquidity risk refers to the situation where Treasury may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Treasury and its controlled entities manage liquidity risk by ensuring that they have sufficient funds available to meet employee and supplier obligations as they fall due. This is achieved by ensuring that minimum levels of cash are held within the various bank accounts to match the expected duration of the various employee and supplier liabilities.

QTH is exposed to liquidity risk through its borrowings with QTC, with QTH exposure mitigated by back-to-back arrangements on debt obligations.

The following table sets out the liquidity risk in relation to financial liabilities held by the consolidated entity. It represents the remaining contractual cash flows (principal and interest) of financial liabilities at the end of the reporting period.

Consolidated	Note	2025 payable in			Total undiscounted cash flow \$'000	Carrying amount \$'000
		< 1 year \$'000	1 - 5 years \$'000	> 5 years \$'000		
Financial liabilities						
Payables	17	515,427	..	..	515,427	515,427
Interest bearing liabilities	18	6,471	25,882	137,227	169,580	96,191
Total		521,898	25,882	137,227	685,007	611,618
Consolidated	Note	2024 payable in			Total undiscounted cash flow \$'000	Carrying amount \$'000
		< 1 year \$'000	1 - 5 years \$'000	> 5 years \$'000		
Financial liabilities						
Payables	17	363,473	..	..	363,473	363,473
Interest bearing liabilities	18	6,471	25,882	143,698	176,051	97,997
Total		369,944	25,882	143,698	539,524	461,470

(e) Credit risk

Treasury and QTH are exposed to credit risk primarily through its investments in the QTC Cash Fund. The QTC Cash Fund is an asset management portfolio that invests with a wide variety of high credit rated counterparties. Deposits with the QTC Cash Fund are capital guaranteed (note 12).

QTH is exposed to credit risk in relation to its receivable arrangement, carried at fair value through profit and loss, with BPH. BPH has assigned its rights to QTH to receive money payable to it by the Port Manager, Port of Brisbane Pty Ltd (note 14).

Credit risk exposure of Treasury and its controlled entities from other receivables is disclosed in note 13.

(f) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange, interest rates and equity prices will affect Treasury and its controlled entities income or value of its holdings of financial instruments. The objective is to manage and control market risk exposure within acceptable parameters, while optimising return within desired frameworks.

23 Financial instruments (continued)

(f) Market risk (continued)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Treasury and its controlled entities are exposed to interest rate risk through the following:

- cash accounts (including QTC Cash Fund)
- finance lease receivable
- investment FP Fund – LTDF
- investment in BDF
- investments still held in the QIC Limited Cash Fund for BQBIF and Repluca

All other financial assets and financial liabilities have fixed interest rates in nature.

Equities risk

Treasury is exposed to equities risk from the movements in the share prices of the entities through its investments in BQBIF, FP– LTDF and BDF.

Sensitivity analysis

Interest rates

Sensitivity to interest rate movements is shown for variable financial assets and liabilities based on the carrying amount at reporting date. The following interest rate sensitivity analysis depicts the outcome on comprehensive income and equity if interest rates were to change by +/- 1% for 2025 (2024: +/- 1%) to reflect current expectations of future interest movement in the next 12 months from year-end rates applicable to Treasury's financial assets and liabilities.

Consolidated Financial instruments	Carrying amount \$'000	2025 Interest rate risk*			
		-1%		1%	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Cash	436,160	(4,362)	(4,362)	4,362	4,362
Finance lease receivable	38,242	(382)	(382)	382	382
Investment in BQBIF	362,820	(3,628)	(3,628)	3,628	3,628
Investment in FP – LTDF	155,730	(1,557)	(1,557)	1,557	1,557
Investment in BDF**	3,662	(37)	(37)	37	37
Investment in Repluca	1,690	(17)	(17)	17	17
Potential impact		(9,983)	(9,983)	9,983	9,983

*excludes fixed rate or non-interest bearing assets

**only includes investment held between 2-5 years

Consolidated Financial instruments	Carrying amount \$'000	2024 Interest rate risk*			
		-1%		1%	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Cash	462,779	(4,628)	(4,628)	4,628	4,628
Finance lease receivable	45,277	(453)	(453)	453	453
Investment in BQBIF	304,482	(3,045)	(3,045)	3,045	3,045
Investment in FP – LTDF	96,221	(962)	(962)	962	962
Investment in FP – Cash Enhanced Fund	11,174	(112)	(112)	112	112
Investment in BDF**	6,860	(69)	(69)	69	69
Investment in Repluca	1,617	(16)	(16)	16	16
Potential impact		(9,284)	(9,284)	9,284	9,284

*excludes fixed rate or non-interest bearing assets

**only includes investment held between 2-5 years

23 Financial instruments (continued)

(f) Market risk (continued)

Equities

Sensitivity analysis for equity instruments is based on a reasonably possible change in equity prices which is estimated at +/- 10% (2024: +/- 10%).

Financial instruments	Carrying amount	2025 Equities			
		-10%		10%	
		Profit	Equity	Profit	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Investment in BQBIF	118,777	(11,878)	(11,878)	11,878	11,878
Investment in FP – LTDF	190,337	(19,034)	(19,034)	19,034	19,034
Investment in BDF	792	(79)	(79)	79	79
Potential impact		(30,991)	(30,991)	30,991	30,991

Financial instruments	Carrying amount	2024 Equities			
		-10%		10%	
		Profit	Equity	Profit	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Investment in BQBIF	95,640	(9,564)	(9,564)	9,564	9,564
Investment in FP – LTDF	122,463	(12,246)	(12,246)	12,246	12,246
Investment in FP – Cash Enhanced Fund	9,043	(904)	(904)	904	904
Investment in BDF	302	(30)	(30)	30	30
Potential impact		(22,745)	(22,745)	22,745	22,745

(g) Fair value

Fair value hierarchy

Financial instruments measured at fair value have been classified in accordance with the hierarchy described in AASB 13 *Fair Value Measurement*. The fair value hierarchy is categorised into 3 levels based on the observability of the inputs to fair valuation techniques:

- Level 1 – represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities
- Level 2 – represents fair value measurements that are substantially derived from inputs (other than quoted prices included within Level 1) that are observable, either directly or indirectly
- Level 3 – represents fair value measurements that are substantially derived from unobservable inputs.

Classification of instruments into fair value hierarchy levels is reviewed annually, and any transfers are deemed to occur at the end of the reporting period. There were no transfers between Level 1 and Level 2 and no transfers in or out of Level 3 during the year ended 30 June 2025.

23 Financial instruments (continued)

(g) Fair value (continued)

Class	Classification according to fair value hierarchy			2025 Carrying amount
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets				
Cash and cash equivalents	516,138	136,153	..	652,291
Licence fee receivable	..	..	97,146	97,146
Investment in BQBIF	..	481,597	..	481,597
Investment in FP – LTDF	..	346,068	..	346,068
Investment in BDF	..	4,454	..	4,454
Investment in Repluca	..	1,690	..	1,690
Total	516,138	969,962	97,146	1,583,246
Class	Classification according to fair value hierarchy			2024 Carrying amount
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets				
Cash and cash equivalents	302,417	165,812	..	468,229
Licence fee receivable	..	..	82,464	82,464
Investment in BQBIF	..	400,122	..	400,122
Investment in FP – LTDF	..	218,684	..	218,684
Investment in FP – Cash Enhanced Fund	..	20,216	..	20,216
Investment in BDF	..	7,161	..	7,161
Investment in Repluca	..	1,617	..	1,617
Total	302,417	813,612	82,464	1,198,493

The inputs used in the classification of Level 2 instruments at fair value are as follows:

- QTC Cash Fund is measured at net realisable value.
- Investment in BQBIF is measured based on the net asset value of the fund.
- Investment in FP – LTDF is measured based on the net asset value of the fund
- Investment in BDF was measured based on the net asset value which incorporates cost of the investment adjusted for the interest and latest equity raised (for investments more than 5 years). Fair value decreases incorporate assessment of cash flow projections and going concern for investees.
- Investment in Repluca is measured based on the value of the remaining cash fund.
- Investment in FP – Cash Enhanced Fund (closed in July 2024) was measured based on the fair value of the short-term investments held in the fund such as low-risk discount securities, term deposits, short-term floating rate notes.

The input used in the classification of Level 3 instruments where fair value is disclosed:

- Licence fee receivable cash flows are discounted at 11.61% per annum (2024: 11.4%) using projections of trade revenue and price growth inflated at CPI.

The lease receivable and associated interest bearing liabilities (lease loan and novation loan) are back-to-back leasing arrangements held by DBCTH. Both the other receivable and associated loan fair values reasonably approximate the carrying value at balance date due to the offsetting nature of these arrangements.

23 Financial instruments (continued)

(g) Fair value (continued)

The carrying amount of financial assets and liabilities measured at amortised cost approximates their fair value at reporting date except for the following financial asset:

	2025		2024	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$'000	\$'000	\$'000	\$'000
Financial asset				
Loan receivable*	9,201	9,360	17,348	17,895
Total	9,201	9,360	17,348	17,895

*This relates to QTH. The fair value is based on discounted present value using a discount rate considering the entity specific risks and using valuation techniques.

24 Budget vs actual comparison

Note – A budget vs actual comparison, and explanations of major variances, has not been included for the Statement of Changes in Equity, as major variances relating to that statement have been addressed in explanation of major variances for other statements.

Certain responsibilities were transferred to Treasury as part of the machinery-of-government changes in 2024–25 (refer to note 2 (c)). The budget figures used in this comparison represent the Adjusted budget figures for 2024–25, as published in the latest (2025–26) Service Delivery Statements tabled in Parliament. The original budget figures used in the previous Service Delivery Statements no longer serve as a useful basis to compare to Treasury's actual results.

Explanation of major variances for Controlled Statement of Comprehensive Income

Note 3 Appropriation revenue

The decrease is primarily due to realignment of funding to future years for a number of initiatives, including the Invested in Queensland Program (\$54.113 million), Queensland Business Energy Saving and Transformation Program (\$23.378 million), QCMETF (\$15.002 million), the replacement and modernisation of the legacy whole-of-government financial reporting and budget management enterprise systems (\$11.744 million), Advance Queensland Industry Attraction Fund (\$11.591 million), and the Fine Modernisation Program Foundation Phase (\$9.190 million). This is partially offset by funding brought forward to 2024–25 for grant payments associated with Gympie Road Bypass Tunnel (\$30.786 million).

Note 4 User charges and fees

The increase mainly relates to an increase in contribution from environment authority holders towards FP Fund under the MERFP Act (\$15.152 million).

Note 5 Interest revenue

The increase relates to higher than expected interest earnings and investment returns for the Financial Provisioning Scheme.

Grants and Contributions

The increase mainly relates to an unbudgeted contribution from the Department of Natural Resources and Mines, Manufacturing and Regional and Rural Development to support the development of the resources emissions reduction plan (\$0.25 million). Also contributing is a funding contribution from QFleet being budgeted as user charges and fees, but reported as grants and contributions (\$0.333 million).

Note 6 Other revenue

The increase mainly relates to unbudgeted recovery of costs from other government departments and private sectors (\$4.754 million). Also contributing is unspent funding being returned relating to the Queensland Business Energy Saving and Transformation Program (\$1.428 million), Battery Booster Program (\$0.834 million) and Advance Queensland Industry Attraction Fund (\$0.7 million).

Note 7 Employee expenses

The decrease is primarily due to staff vacancies across the department, including Queensland Revenue Office (\$11.228 million), Energy and Climate (\$5.688 million), and Industry, Investment and Commercial (\$4.877 million). Some vacant positions are backfilled by the utilisation of agency temps, mainly in the Queensland Revenue Office.

24 Budget vs actual comparison (continued)

Explanation of major variances for Controlled Statement of Comprehensive Income (continued)

Note 8 Supplies and services

The decrease is mainly due to revision of timeframes for a number of initiatives, including the replacement and modernisation of the legacy whole-of-government financial reporting and budget management enterprise systems (\$11.405 million), the Fine Modernisation Program Foundation Phase (\$9.19 million), the Transmission Coordination (\$9.231 million), Glencore and Rio Tinto (\$5.231 million), Household Energy Initiatives (\$4.828 million), Energy Roadmap Modelling (\$4.08 million), Due Diligence and Project Analysis (\$4.024 million) and the Hydrogen Hubs (\$3.67 million).

Note 9 Grants and subsidies

The decrease is primarily relating to delays in the Invested in Queensland project milestones (\$50.272 million) and lower than anticipated grant payments under the Financial Provisioning Scheme for mine rehabilitation (\$14.982 million). Also contributing are timing differences in grant payments associated with the Queensland Business Energy Savings and Transformation Program (\$21.387 million), Advance Queensland Industry Attraction Fund (\$10.891 million) and QCMBTF (\$10.148 million). These are partially offset by higher grant payments associated with the Regional Economic Future Fund (\$16.145 million), South Brisbane property project (\$22.6 million) and Gympie Road Bypass Tunnel (\$33 million).

Note 10 Losses on assets

The increase relates to the impact of fair value adjustments for investments (\$2.936 million) during 2024–25, including the BDF, BQBIF, QBAT, Repluca, QVCDF, QCMBTF and LTDF investments.

Explanation of major variances for Controlled Statement of Financial Position

Note 13 Receivables - current

The increase mainly relates to higher equity injection receivables associated with the fair value adjustment for investments (\$6.084 million) and increased operational receivable (\$4.118 million). This is partially offset by decreased finance lease receivable (\$1.065 million) and an appropriation payable being reported at year end instead of a budgeted appropriation receivable (\$3.011 million).

Note 14 Other financial assets - current

The decrease reflects the transfer of the Financial Provisioning Scheme investments from the Cash Enhanced Fund to the LTDF.

Other assets - current

The increase reflects higher prepayments mainly relating to SAP products and services, and annual licensing fees.

Note 14 Other financial assets – non-current

The increase mainly relates to Financial Provisioning Scheme investments in the LTDF (\$329.826 million), including the transfer from the Cash Enhanced Fund.

Intangibles

The increase mainly relates to unbudgeted capital expenditure associated with the finance system upgrade and higher than expected capital expenditure associated with FAIR system.

Note 17 Payables

The increase is mainly due to increased appropriation payable (\$204.747 million) as a result of funding deferred to future years for projects and funding to be returned to the Consolidated Fund for surplus project funding.

Accrued employee benefits

The increase mainly relates to higher than budgeted annual leave central scheme levy payable (\$1.571 million). This is partially offset by lower accrued salary and wages (\$0.627 million).

Accumulated surplus

The increase mainly relates to accumulated surpluses associated with the Financial Provisioning Scheme.

24 Budget vs actual comparison (continued)

Explanation of major variances for Controlled Statement of Cash Flows

Cash inflows from operating activities

Appropriation receipts

The increase relates to movements in net appropriation payables (\$210.277 million), partially offset by a decrease in appropriation revenue (\$135.785 million).

Surety receipts from Financial Provisioning Scheme

The increase reflects the level of cash surety collected from the Environmental Authority holders.

Grants and contributions

Refer to explanation on grants and contributions under "Explanation of major variances for Controlled Statement of Comprehensive Income".

GST input tax credits from Australian Taxation Office (ATO)

The variance reflects the amount of Input tax credits paid by the Australian Taxation Office (ATO) for supplier invoices processed which was budgeted as other Inflows. The actual Input tax credits received is \$25.791 million higher than budget.

GST collected from customers

The variance reflects the amount of GST collected from customers from sale of goods and services being budgeted as User charges and fees while actual GST collected is reported as a separate inflow. The actual GST collected is \$2.854 million lower than budget.

Interest received

The increase is mainly due to higher than expected interest earnings and investment returns received during 2024–25 relating to the Financial Provisioning Scheme.

Other inflows

The increase mainly relates to increased other revenue of \$9.844 million. This is partially offset by Input tax credits received from ATO being budgeted as Other Inflows while the actual Input tax credits received is reported as a separate inflow (\$2.775 million).

Cash outflows from operating activities

Employee expenses

The decrease primarily due to the decrease in employee expenses of \$23.264 million.

Supplies and services

The decrease is mainly due to the decrease in supplies and services expense of \$79.858 million. Also contributing is GST paid to suppliers for goods and services purchased being budgeted as supplies and services while the actual GST paid to suppliers being reported as a separate outflow. This is partially offset by movements in operational payable (\$11.716 million).

Grants and subsidies

The decrease is mainly due the decrease in grant and subsidies expenses of \$42.12 million, partially offset by the movements in grant payables.

GST remitted to ATO

The increase is mainly due to GST remitted to ATO being budgeted as other outflow while the actual GST remitted to ATO is reported as a separate outflow. The actual GST remitted to ATO is \$0.172 million lower than budget.

GST paid to suppliers

The increase is mainly due to GST paid to suppliers for goods and services purchased being budgeted as supplies and services. The actual GST paid to suppliers is \$15.033 million higher than budget.

24 Budget vs actual comparison (continued)

Explanation of major variances for Controlled Statement of Cash Flows (continued)

Cash outflows from investing activities

Payments for investments

The increase mainly relates to an increase in the investment for the LTDF (\$100.945 million) and the additional investment in QBAT (\$25 million). Also contributing is the investment in BQBIF (\$20 million) of which funding was received in 2023–24. This is partially offset by timing of investment for QVCDF being changed from 2024–25 to 2023–24 (\$55 million).

Cash inflows from financing activities

Equity injections

The increase is mainly due to \$25 million being reclassified from operational funding to equity injection for QBAT.

Equity withdrawals

The increase is mainly due to equity withdrawals associated with the fair value adjustment for investments (\$7.553 million).

		2025	2025	2025	2024
		Actual	Adjusted budget*	Budget variance	Actual
	Notes	\$'000	\$'000	\$'000	\$'000
Income and expenses administered on behalf of the whole of government					
Income from operations					
Grants and other contributions	25	28,088,267	25,516,115	2,572,152	27,495,415
Taxes	26	21,439,062	21,349,018	90,044	18,932,618
Royalties	27	7,891,841	8,371,992	(480,151)	12,728,742
Appropriation revenue	28	9,292,682	8,730,107	562,575	8,157,080
Fees and other revenue	29	1,130,327	1,163,516	(33,189)	1,143,489
Interest revenue	30	837,201	682,099	155,102	772,255
Total revenue		68,679,380	65,812,847	2,866,533	69,229,599
Gain on fair value movement of other financial assets and liabilities		865,633	44,540	821,093	865,824
Total income from operations		69,545,013	65,857,387	3,687,626	70,095,423
Expenses from operations					
Finance/borrowing costs	31	2,097,579	2,185,161	(87,582)	1,637,030
Losses on assets	32	151,669	57,844	93,825	49,396
Grants and subsidies	33	608,191	577,007	31,184	472,330
Supplies and services		144,108	131,891	12,217	140,150
Other expenses	34	6,310,791	5,836,048	474,743	5,795,701
Total expenses from operations		9,312,338	8,787,951	524,387	8,094,607
Operating result before transfers to government		60,232,675	57,069,436	3,163,239	62,000,816
Transfers of administered revenue to government		58,693,781	56,416,492	2,277,289	60,564,087
Total administered comprehensive income		1,538,894	652,944	885,950	1,436,729

*An explanation on the use of adjusted budget amounts and major variances is included at note 41.

The accompanying notes form part of these statements.

	Notes	2025 Actual \$'000	2025 Adjusted budget* \$'000	2025 Budget variance \$'000	2024 Actual \$'000
Assets and liabilities administered on behalf of the whole of government					
Current assets					
Cash and cash equivalents	35	1,888,984	636,727	1,252,257	(4,191,389)
Receivables	36	2,134,622	2,201,593	(66,971)	2,108,951
Other current assets		14,627	13,262	1,365	14,900
Total current assets		4,038,233	2,851,582	1,186,651	(2,067,538)
Non-current assets					
Receivables	36	27,412	24,000	3,412	23,945
Other financial assets	37	11,865,277	9,908,346	1,956,931	9,772,830
Total non-current assets		11,892,689	9,932,346	1,960,343	9,796,775
Total administered assets		15,930,922	12,783,928	3,146,994	7,729,237
Current liabilities					
Payables		123,770	43,394	80,376	308,309
Transfer to government payable **		2,171,810	5,130,231	(2,958,421)	2,105,958
Interest bearing liabilities	38	3,425,003	1,514,639	1,910,364	2,943,966
Other liabilities		88,555	61,562	26,993	49,668
Total current liabilities		5,809,138	6,749,826	(940,688)	5,407,901
Non-current liabilities					
Interest bearing liabilities and derivatives	38	64,219,213	68,289,416	(4,070,203)	50,461,622
Total non-current liabilities		64,219,213	68,289,416	(4,070,203)	50,461,622
Total administered liabilities		70,028,351	75,039,242	(5,010,891)	55,869,523
Administered net assets		(54,097,429)	(62,255,314)	8,157,885	(48,140,286)

*An explanation on the use of adjusted budget amounts and major variances is included at note 41.

The accompanying notes form part of these statements.

****Accounting policy – Transfers to Government Payable**

In accordance with the *Financial Accountability Act 2009*, all administered revenue apart from the earnings from Special Purpose Accounts, is to be transferred to the Treasurer's Consolidated Fund operating account during the year. Revenue earned but not yet transferred to the Consolidated Fund operating account is recorded as a payable at year-end. Administered revenue received is transferred to the Consolidated Fund during the year and can be found in the Statement of Comprehensive Income. The accounts are prepared on an accrual basis of accounting as outlined in note 1(b).

	Notes	2025 Actual \$'000	2024 Actual \$'000
Cash flows administered on behalf of the whole of government			
Cash flows from operating activities			
Inflows			
Administered item receipts		9,401,510	8,116,070
Grants and other contributions		27,810,929	27,546,714
Taxes		21,248,801	19,008,009
Royalties		7,912,957	12,670,232
Interest		841,292	774,550
GST input tax credits from ATO		15,686	41,532
GST collected from customers		29,867	27,562
Other		1,061,647	1,030,975
Outflows			
Transfers to government		(58,628,330)	(63,188,593)
Grants and subsidies		(576,526)	(472,441)
Finance/borrowing costs		(1,926,245)	(1,539,776)
Supplies and services		(143,776)	(139,915)
GST remitted to ATO		(29,853)	(27,546)
GST paid to suppliers		(24,028)	(40,801)
Other		(6,310,140)	(5,797,779)
Net cash provided by/ (used in) operating activities		683,791	(1,991,207)
Cash flows from investing activities			
Inflows			
Loans and advances received		4,926	6,268
Outflows			
Payments for investment in Debt Retirement Fund		(1,234,251)	(570,905)
Loans and advances made		(9,928)	(4,660)
Net cash used in investing activities		(1,239,253)	(569,297)
Cash flows from financing activities			
Inflows			
Advances received from GOCs		7,084,218	4,806,235
Borrowings		10,926,646	3,004,028
Transfer from redraw		3,490,000	1,725,000
Equity injections		2,497,069	100,000
Outflows			
Borrowing redemptions		(3,978)	(4,534)
Transfer to redraw		(730,000)	..
Advance redemptions to GOCs		(6,751,391)	(3,622,711)
Equity withdrawals		(10,298,177)	(3,000,000)
Net cash provided by financing activities		6,214,387	3,008,018
Net increase/(decrease) in cash and cash equivalents		5,658,925	447,514
Increase in cash and cash equivalents from restructuring		421,448	..
Administered cash and cash equivalents at beginning of financial year		(4,191,389)	(4,638,903)
Administered cash and cash equivalents at end of financial year	35	1,888,984	(4,191,389)

	2025 \$'000	2024 \$'000
Administered on behalf of the whole of government		
Operating result	1,538,894	1,436,729
Gain on fair value movements of investments/derivative	(865,633)	(865,824)
Non-cash finance cost adjustments	471	(56)
Interest expense on QTC loans	166,956	90,583
Change in assets and liabilities:		
(Increase)/decrease in receivables	(24,934)	(70,816)
(Increase)/decrease in other current assets	273	(1,630)
Increase/(decrease) in payables	(184,539)	56,872
Increase/(decrease) in transfers to government payable	65,852	(2,624,506)
Increase/(decrease) in other liabilities	38,887	(12,559)
Adjustment due to machinery-of-government changes	(52,436)	..
Net cash provided by operating activities	683,791	(1,991,207)

		Cash flows				
		Opening balance 2024	Interest and admin fees	Cash received	Cash repayments	Closing balance 2025
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000
Assets and liabilities administered on behalf of the whole of government						
Current liabilities						
Interest bearing liabilities	38	2,943,966	152,188	7,084,218	(6,755,369)	3,425,003
Non-current liabilities						
Interest bearing liabilities	38	50,461,622	14,441	14,416,646	(730,000)	64,162,709
Total administered liabilities		53,405,588	166,629	21,500,864	(7,485,369)	67,587,712

**Administered Reconciliation of Changes in Liabilities Arising from Financing Activities
for the year ended 30 June 2024**

		Cash flows				
		Opening balance 2023	Interest and admin fees	Cash received	Cash repayments	Closing balance 2024
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000
Assets and liabilities administered on behalf of the whole of government						
Current liabilities						
Interest bearing liabilities	38	1,675,504	89,472	4,806,235	(3,627,245)	2,943,966
Non-current liabilities						
Interest bearing liabilities	38	45,731,841	753	4,729,028	..	50,461,622
Total administered liabilities		47,407,345	90,225	9,535,263	(3,627,245)	53,405,588

Queensland Treasury
Administered Statement of Comprehensive Income by Major Departmental Services for the year ended 30 June 2025

	Economics and Fiscal		Energy and Climate**		Revenue Management		Other *		Inter-service/activity eliminations		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income and expenses administered on behalf of the whole of government												
Income from operations												
Grants and other contributions	28,088,267	27,495,415	..	..	..	..	..	..	..	..	28,088,267	27,495,415
Taxes	..	..	..	..	21,582,941	19,058,665	..	..	(143,879)	(126,047)	21,439,062	18,932,618
Royalties	..	..	..	..	7,891,841	12,728,742	..	..	..	..	7,891,841	12,728,742
Appropriation revenue	141,303	162,568	..	..	296,172	213,289	8,427,208	7,781,223	..	..	9,292,682	8,157,080
Fees and other revenue	360,416	362,229	..	..	757,621	766,691	12,222	14,584	..	(15)	1,130,327	1,143,489
Interest revenue	680,698	570,905	..	..	70,254	65,293	108,604	158,484	(22,355)	(22,427)	837,201	772,255
Total revenue	29,270,684	28,591,117	..	..	30,598,829	32,832,680	8,548,034	7,954,291	(166,234)	(148,489)	68,679,380	69,229,599
Gain on fair value movement of other financial assets and liabilities	858,196	865,824	7,437	..	..	..	..	..	..	..	865,633	865,824
Total income from operations	30,128,880	29,456,941	435,504	..	30,598,829	32,832,680	8,548,034	7,954,291	(166,234)	(148,489)	69,545,013	70,095,423
Expenses from operations												
Finance/borrowing costs	..	..	..	..	479	174	2,119,455	1,659,283	(22,355)	(22,427)	2,097,579	1,637,030
Losses on assets	..	..	..	..	151,669	49,396	..	..	..	..	151,669	49,396
Grants and subsidies	3,904	4,000	..	..	136,797	76,482	39,504	391,848	..	..	608,191	472,330
Supplies and services	126,725	128,286	..	..	12,640	9,075	4,743	2,789	..	..	144,108	140,150
Other expenses	10,674	30,282	..	..	146,255	127,557	6,297,727	5,763,924	(143,879)	(126,062)	6,310,791	5,795,701
Total expenses from operations	141,303	162,568	428,000	..	447,840	262,684	8,461,429	7,817,844	(166,234)	(148,489)	9,312,338	8,094,607
Operating result before transfers to government	29,987,577	29,294,373	7,504	..	30,150,989	32,569,996	86,605	136,447	..	..	60,232,675	62,000,816
Transfers of administered revenue to government	28,448,683	27,857,644	7,504	..	30,150,989	32,569,996	86,605	136,447	..	..	58,693,781	60,564,087
Total administered comprehensive income	1,538,894	1,436,729	..	..	..	..	..	..	..	..	1,538,894	1,436,729

*Includes superannuation, whole-of-government offset account, central schemes (insurance, annual leave and long service leave), and other administered items.

** Represents income and expenses from 1 November 2024 to 30 June 2025 resulting from the machinery-of-government changes (refer to Note 2(c)).

Queensland Treasury
Administered Statement of Assets and Liabilities by Major Departmental Services for the year ended 30 June 2025

	Economics and Fiscal		Energy and Climate		Revenue Management		Other **		Inter-service/activity eliminations		Total	
	2025	2024	2025***	2024	2025	2024	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets and liabilities administered on behalf of the whole of government *												
Current assets												
Cash and cash equivalents	18,880	19,110	1,307,904	..	219,640	593,101	342,560	(4,803,600)	..		1,888,984	(4,191,389)
Receivables	579,343	67,260	19,116	..	1,975,979	1,753,606	(413,990)	300,644	(25,826)	(12,559)	2,134,622	2,108,951
Other current assets	163	114	..	..	..	..	14,464	14,786	..		14,627	14,900
Total current assets	598,386	86,484	1,327,020	..	2,195,619	2,346,707	(56,966)	(4,488,170)	(25,826)	(12,559)	4,038,233	(2,067,538)
Non-current assets												
Receivables	..	..	..	..	..	..	27,412	23,945			27,412	23,945
Other financial assets	11,865,277	9,772,830	..	..	..	..	..	..			11,865,277	9,772,830
Total non-current assets	11,865,277	9,772,830	..	..	..	..	27,412	23,945			11,892,689	9,796,775
Total administered assets	12,463,663	9,859,314	1,327,020	..	2,195,619	2,346,707	(29,554)	(4,464,225)	(25,826)	(12,559)	15,930,922	7,729,237
Current liabilities												
Payables	559	269,282	103,320	..	27,312	13,047	18,405	38,539	(25,826)	(12,559)	123,770	308,309
Transfer to government payable	95,722	(173,801)	7,559	..	2,079,307	2,283,653	(10,778)	(3,894)	..		2,171,810	2,105,958
Interest bearing liabilities	..	..	..	..	..	..	3,425,003	2,943,966	..		3,425,003	2,943,966
Other liabilities	..	..	..	..	88,555	49,562	..	106	..		88,555	49,668
Total current liabilities	96,281	95,481	110,879	..	2,195,174	2,346,262	3,432,630	2,978,717	(25,826)	(12,559)	5,809,138	5,407,901
Non-current liabilities												
Interest bearing liabilities and derivatives	..	..	56,504	..	..	..	64,162,709	50,461,622			64,219,213	50,461,622
Total non-current liabilities	..	..	56,504	..	..	..	64,162,709	50,461,622			64,219,213	50,461,622
Total administered liabilities	96,281	95,481	167,383	..	2,195,174	2,346,262	67,595,339	53,440,339	(25,826)	(12,559)	70,028,351	55,869,523
Administered net assets	12,367,382	9,763,833	1,159,637	..	445	445	(67,624,893)	(57,904,564)	..	..	(54,097,429)	(48,140,286)

*The department has systems in place to allocate assets and liabilities by Major Departmental Services.

**Includes superannuation, whole-of-government offset account and central schemes (insurance, annual leave and long service leave), and other administered items.

*** The balances recognised for 2024–25 results from the machinery-of-government changes effective 1 November 2024 (refer to Note 2(c)).

2025	2024
\$'000	\$'000

25 Grants and other contributions

Administered on behalf of the whole of government		
GST revenue grant	19,043,984	19,283,241
National Partnership Payments – capital project	3,880,811	3,747,226
National Partnership Payments – recurrent project	1,744,473	965,576
Specific purpose – recurrent		
– Schools	2,543,193	2,453,381
– Disability services	..	226,565
– Skills and workforce development	450,682	389,695
– Affordable housing	355,395	354,972
Specific purpose – capital	69,729	74,759
	28,088,267	27,495,415

Accounting policy – Grants and other contributions

Grants are recognised based on the applicable revenue standard. Grants that do not meet the enforceable and sufficiently specific performance obligations under AASB 15 *Revenue from Contracts with Customers* will be recognised under AASB 1058 *Income of Not-for-Profit Entities*. Grants recognised under AASB 1058 are recognised upfront or when the corresponding asset (e.g. cash or receivable) has been recognised and received. Where the grant agreement is enforceable and does contain sufficiently specific performance obligations that will result in Treasury providing goods or services to other parties, it is recognised under AASB 15 and may qualify for deferral depending on when the specific performance obligations have been satisfied.

Commonwealth grants revenue is recognised under AASB 1058, including the grant funding received and the impact of end of year GST revenue adjustments to reflect the change in the state's share in the GST pool. Commonwealth grants revenue received is remitted to the Consolidated Fund.

26 Taxes

	2025 \$'000	2024 \$'000
Administered on behalf of the whole of government		
Taxes		
Duties	9,481,554	8,005,196
Payroll tax	6,855,443	6,294,690
Land tax	2,361,154	2,033,757
Gaming machine tax	1,162,731	1,054,178
Lottery tax	389,126	438,130
Betting tax	304,715	294,782
Casino tax	111,422	113,676
Keno tax	30,202	28,104
Other taxes	1,841	3,755
	20,698,188	18,266,268
Levies		
Health services levy	195,862	167,998
Mental Health Levy	545,012	498,352
	740,874	666,350
	21,439,062	18,932,618

Accounting policy – Taxes

The main revenue streams and the governing Acts which underpin them include:

- *Duties Act 2001*
- *Payroll Tax Act 1971*
- *Land Tax Act 2010*
- *Taxation Administration Act 2001*
- *Local Government Act 2009 (National Tax Equivalents Regime)*
- *Betting Tax Act 2018*
- *Gaming Machine Act 1991, Casino Control Act 1982, Keno Act 1996, Lotteries Act 1997, and Wagering Act 1998 (administered by The Office of Liquor and Gaming Regulation).*

Revenue is recognised under AASB 1058 *Income of Not-for-Profit Entities* when one or more of the following taxable events occur:

- the underlying transaction or event which gives rise to the right to collect the revenue occurs and can be measured reliably
- the assessment is raised by the self-assessor (a person who lodges transactions online), predominantly for payroll tax and duties. Additional revenue is recognised upon amended assessment
- the assessment is issued because of Commissioner-assessed transactions or following compliance activities such as reviews and audits, predominantly for land and gaming taxes
- tax penalty and interest revenue are recognised when raised, when an assessment becomes overdue or further enforcement activity commences.

When payment is received before an assessment is raised, this is recognised as unearned revenue (reported as other liabilities in the Statement of Financial Position) and recognised as revenue when the assessment is raised.

	2025	2024
	\$'000	\$'000

27 Royalties

Administered on behalf of the whole of government		
Royalties	7,891,841	12,728,742
	7,891,841	12,728,742

Accounting policy – Royalties

The governing Acts which underpin royalties include:

- *Mineral Resources Act 1989, Petroleum and Gas (Production and Safety Act) 2004*
- *Taxation Administration Act 2001.*

Revenue is recognised when one or more of the following events are satisfied:

- the underlying transaction or event which gives rise to the right to collect the revenue occurs and can be measured reliably. The underlying transaction or event is usually when
 - the mineral is sold, disposed of or used in a return period
 - petroleum is disposed of or the return in which the petroleum is produced
- the assessment is raised by the self-assessor (a person who lodges transactions online). Additional revenue is recognised upon amended assessment
- the assessment is issued because of Commissioner-assessed transactions or following compliance activities such as reviews and audits
- tax penalty and interest revenue are recognised when raised, when an assessment becomes overdue, or further enforcement activity commences.

When payment is received before an assessment is raised, this is recognised as unearned revenue (reported as other liabilities in the Statement of Financial Position) and recognised as revenue when the assessment is raised.

2025 \$'000	2024 \$'000
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28 Appropriation revenue

Administered on behalf of the whole of government		
Budgeted administered item appropriation and equity	8,492,988	7,941,741
Transfer (to)/from other departments – redistribution of public business	1,674,759	..
Unforeseen expenditure*	1,730,832	274,329
Total administered item receipts including equity	11,898,579	8,216,070
Less: opening balance of administered appropriation revenue receivable	(332,177)	(291,167)
Plus: closing balance of administered appropriation revenue receivable	223,320	332,177
Plus: deferred appropriation payable transfer in	29	..
Net appropriation revenue	11,789,751	8,257,080
Total administered appropriation revenue recognised in the Statement of Comprehensive Income including equity	11,789,751	8,257,080
This is represented by:		
Administered item revenue recognised in the Statement of Comprehensive Income	9,292,682	8,157,080
Appropriated equity injection	2,497,069	100,000
Total administered appropriation revenue recognised in the Statement of Comprehensive Income including equity	11,789,751	8,257,080

*Unforeseen expenditure for 2024–25 of \$1.731 billion were primarily due to funding of additional investment to the Debt Retirement Fund, revised beneficiary payments for Defined Benefit Superannuation and Annual Leave Central Schemes, ex-gratia payments, and community service obligation payments for the energy sector.

29 Fees and other revenue

Administered on behalf of the whole of government		
Fines and penalty debt revenue	698,348	706,811
Competitive neutrality fees	355,842	358,429
Regulatory fees	56,097	56,577
Miscellaneous receipts	20,040	21,672
	1,130,327	1,143,489

29 Fees and other revenue (continued)

Accounting policy – Fees and Other revenue

The *State Penalties Enforcement Act 1999* largely covers administrative arrangements for the enforcement and recovery of court ordered fines, related levies and unpaid infringement notices. The *State Penalties Enforcement (Modernisation) Amendment Act 2022* implements an integrated approach to managing fines for particular offences with functions centralised to the Queensland Revenue Office. The Act also provides a framework for earlier registration of unpaid infringement notices by the State Penalties Enforcement Registry within the Queensland Revenue Office.

Fines and penalty debt revenue are recognised when the underlying transaction or event which gives rise to the right to collect the revenue occurs and can be measured reliably under AASB 1058 *Income of Not-for-Profit Entities*. This is recognised when the unpaid penalty, fine or levy (such as court, traffic offences and tolling fines) has been transferred and registered with the State Penalties Enforcement Registry or when the right to collect the fines occur such as the issuance of an infringement notice.

Regulatory fees include lodgement fees for fines and penalty debt recognised upon registration of the default certificate where the amount unpaid is increased by the amount of the registration fee. Additional income from enforcement fees on overdue fines is recognised when they are subject to further enforcement action.

Competitive neutrality fees are a requirement for government business activities to pay taxes (or tax equivalents) to remove benefits (and costs) as a result of their public ownership which accrue to government business activities when competing with the private sector. This fee also includes QIC Limited investment management fees payable by QTC and statutory bodies that have significant funds under management with QIC Limited.

2025	2024
\$'000	\$'000

30 Interest revenue

Administered on behalf of the whole of government		
Interest – Debt Retirement Fund	680,698	570,905
Interest – investments and loans	84,816	134,753
Interest – others	71,687	66,597
	837,201	772,255

31 Finance/borrowing costs

Administered on behalf of the whole of government		
Interest on loans – QTC	1,856,080	1,465,753
Administration fees	42,752	35,175
Interest – other	198,747	136,102
	2,097,579	1,637,030

31 Finance/borrowing costs (continued)

Accounting policy – Finance/borrowing costs

Finance/borrowing costs are recognised in the period in which they are incurred. These costs are incurred on the Treasury Offset Account (refer to note 35 for whole-of-government Treasury Offset Account arrangements) and whole-of-government borrowings, GOCs advances and Commonwealth borrowings (note 38). These also includes recognition of initial discount and amortisation of discounts or premiums relating to loans and borrowings.

2025	2024
\$'000	\$'000

32 Losses on assets

Administered on behalf of the whole of government		
Bad debts written off*	168,193	130,973
Impairment loss/(reversals) – fines and penalty debt	(27,256)	(22,995)
Impairment loss/(reversals) – taxation	10,732	(58,582)
	151,669	49,396

*SPER Debt Write Off Guideline enables the SPER Registrar to write off bad debts in all circumstances in which it is unlikely the debts could be recovered cost effectively. Bad debts written off for fines and penalty amounts to \$135.993 million for 2024–25 (2024: \$95.220 million).

The total bad debts written-off includes bad debts written off directly, not through provision for impairment, amounting to \$5.398 million for 2024–25 (2024: \$5.018 million) (note 36)

33 Grants and subsidies

Administered on behalf of the whole of government		
Community service obligations and grants for energy*	425,419	..
First Home Owner Grant (FHOG)***	125,456	59,138
Grants to Queensland Government entities**	43,409	395,847
Commonwealth HomeBuilder Grants	2,000	4,355
Others	11,907	12,990
	608,191	472,330

*This includes community service obligation (CSO) payments made on behalf of the Queensland Government to energy retailers Energy Queensland and Origin. The most significant CSO payment relates to the Uniform Tariff Policy supporting regional Queensland.

**This includes payments as part of the Energy Price Relief Plan agreed by National Cabinet in December 2022 and to be funded in partnership with the Australian Government.

***This includes payments for the Regional Home Building Boost Grant.

2025	2024
\$'000	\$'000

34 Other expenses

Administered on behalf of the whole of government		
Superannuation benefit payments	2,244,883	2,065,887
Annual leave central scheme reimbursements	2,962,886	2,713,665
Long service leave central scheme reimbursements	758,192	684,081
Queensland Government Insurance Fund claims	287,478	256,969
Reinsurance expense	43,726	42,737
Special payments	12,769	31,507
Sundry	857	855
	6,310,791	5,795,701

Accounting policy – Other expenses

Annual Leave Central Scheme and Long Service Leave Central Scheme reimbursements

Annual leave and long service leave claims paid represent quarterly reimbursements to agencies from the Annual Leave and Long Service Leave Central Schemes administered by Australian Retirement Trust. These are recognised as expenses in the period when they are reimbursed. The scheme is funded by annual leave and long service leave levies paid by agencies and reimbursements are sought from the scheme for actual leave payments made to employees and associated on-costs, quarterly in arrears (note 7).

Superannuation benefit payments

Superannuation benefit payments are recognised in the period when they are paid to Australian Retirement Trust. These represent proportional funding for superannuation defined benefit payments for retirement benefit liabilities held by the state for the State Public Sector Superannuation Scheme, pensions provided in accordance with the *Judges (Pensions and Long Leave) Act 1957* (Judges' Scheme) and the Energy Super Fund (a sub-fund within Brighter Super).

Special Payments

Special payments include ex gratia expenditure and other expenditure paid by Treasury to relevant parties where there is no clear legal or contractual requirement to make a payment, unless the payment is court ordered. Special payments made during 2024–25 include the following payments over \$5,000:

- Ex-gratia payments to the Gladstone Regional Council and Mount Isa City Council as part of an arrangement where a portion of the dividends and tax equivalent payments made by the Gladstone Area Water Board and Mount Isa Water Board under the National Competition Policy are returned to the councils.
- Payments made to trustees of Aboriginal land which represents a portion of Royalties paid to the State from mining on Aboriginal land.

2025	2024
\$'000	\$'000

35 Cash and cash equivalents

Administered on behalf of the whole of government		
Whole-of-government Treasury Offset Arrangement*	(475,658)	(4,732,161)
Other administered bank accounts	2,364,642	540,772
	1,888,984	(4,191,389)

*The whole-of-government Treasury Offset Arrangement incorporates the Treasury offset bank account which is an overdraft facility as required under section 49(1) of the *Financial Accountability Act 2009* and a QTC Working Capital Facility. This overdraft facility is part of an offset arrangement with other departmental bank accounts and is considered in determining the interest earned on the whole-of-government position.

In addition, Treasury has established another offset arrangement with the Commonwealth Bank of Australia to maximise interest earned on surplus cash balances held by departmental bank accounts that do not fall within the whole-of-government offset arrangement.

The QTC GOC advances fund is utilised to transfer GOCs surplus funds to the Treasury offset arrangement (note 38).

The QTC Working Capital Facility is used for short-term borrowings. The fair value of the borrowings in the QTC Working Capital Facility at 30 June 2025 is represented by its book value (as notified by QTC). Interest is calculated daily based on the Reserve Bank's official cash rate. Interest is charged at rates between 3.85% and 4.63% (2024: between 4.1% and 4.44%) along with an administration margin of 0.05% (2024: 0.05%).

Other administered bank accounts represent the aggregate of Treasury administered bank accounts including Queensland Revenue Office bank accounts.

2025	2024
\$'000	\$'000

36 Receivables

Administered on behalf of the whole of government		
Current		
Debtors*	2,121,160	2,007,461
Less: allowance for impairment*	(321,995)	(338,520)
	1,799,165	1,668,941
Appropriation revenue receivable	223,320	332,177
Competitive neutrality fees	90,524	90,254
Other advances	5,663	4,926
Sundry receivable	15,950	12,653
	335,457	440,010
Total current	2,134,622	2,108,951
Non-current		
Other advances	27,412	23,945
Total non-current	27,412	23,945
Total current and non current	2,162,034	2,132,896

*The debtors balance includes receivables of \$1.099 billion (2024: \$1.161 billion) for fines and penalty debt. As at 30 June 2025, a loss allowance of \$259.381 million (2024: \$286.638 million) is recognised for the fines and penalty receivable representing 24% of the total receivables (2024:25%).
The receivables other than debtors do not have any loss allowance as they are inter-agency receivables between Treasury, other departments, GOCs and Commonwealth.

Movements in allowance for impairment of receivables		
Opening balance	338,520	420,097
Amounts written off during the year	(162,796)	(125,956)
Increase/(decrease) recognised in Statement of Comprehensive Income**	146,271	44,379
Balance at 30 June	321,995	338,520

**Does not include amounts written off directly to bad debts expense, \$5.398 million (2024: \$5.018 million), (refer note 32).

36 Receivables (continued)

Accounting policy – Receivables

Administered debtors for taxes, royalties, fines and penalty debt are recognised in line with revenue criteria, explained in notes 26–27 and note 29.

Other advances relating to the Disaster Recovery Funding Arrangements (DRFA) loans are recognised when the state provides upfront funding to the Queensland Rural and Industry Development Authority (QRIDA) for disaster recovery relief. At an undetermined time in the future the Commonwealth will provide a sum of funding, classified as a concessional loan to the state. When this occurs a corresponding Commonwealth borrowing is recognised (refer note 38). Principal repayments on advances made to QRIDA become payable within 2 years and interest repayments payable within one year after the Commonwealth contribution is received.

Allowance for impairment

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

A number of debt collection measures are undertaken including the exercising of legislative powers contained within the *Taxation Administration Act 2001*, *State Penalties Enforcement Act 1999* and the *State Penalties Enforcement (Modernisation) Amendment Act 2022*, prior to impairing debt.

If no expected loss events have arisen in respect of a particular debtor or group of debtors, no allowance for impairment is made in respect of that debt/group of debtors. If Treasury determines that an amount owing by such a debtor does become uncollectable, the amount is impaired, then subsequently recognised as a bad debt expense and written off directly against receivables. In other cases where a debt becomes uncollectable, but the uncollectable amount exceeds the amount already allowed for impairment of that debt, the excess is recognised as a bad debt expense and written off directly against receivables.

There is no impairment loss allowance recognised for Treasury's receivables from Queensland Government agencies or Australian Government agencies as credit risk for these receivables is considered low.

Credit risk exposure of receivables

The maximum exposure to credit risk at balance date for receivables is the gross carrying amount of those assets.

Treasury manages credit risk using a credit management strategy. This strategy focuses on the prompt collection of revenues due and payable to Treasury and follow up of outstanding fees and charges within specified timeframes. Exposure to credit risk is monitored on an ongoing basis.

For administered taxes, royalties, fines and penalty debt receivables, risk assessments are performed upon non-payment of debt and maintained in the Queensland Revenue Office risk register with assigned risk ratings. Under this risk-based revenue management framework compliance plans are developed with reference to the debt management strategies.

Expected credit losses for taxes and royalties' receivables is calculated based on debt type using an expected credit loss percentage by age or individually assessed. For those debts where an expected credit loss percentage is used to calculate impairment, the historical credit loss experienced over a ten-year period is adjusted by current conditions and forward-looking information on macro-economic factors affecting collectability of debts. The customer groups within the Queensland Revenue Office were determined by debt type and whether it consisted of high or low volume transactions. The provision matrix methodology was applied for high volume transactions and the low volume transactions were individually assessed. Treasury has identified employment growth, housing upturn/downturn, interest rates movement and population growth to be the relevant economic factors affecting taxes. The expected credit loss percentage is the average rate across the debts. Individually assessed debts are reviewed and a percentage loss is applied to each based on collectability.

Credit risk exposure on administered receivables including taxes, royalties, fines and penalty debt receivables are set out below. The total gross receivables exclude receivables of \$668.499 million (2024: \$550 million) that do not have any loss allowance.

36 Receivables (continued)

<i>Taxation debtors - assessed collectively using a provision matrix</i>				2024		
Administered on behalf of the whole of government	Gross receivables	Loss rate	Expected credit losses	Gross receivables	Loss rate	Expected credit losses
	\$'000	%	\$'000	\$'000	%	\$'000
Not yet due	116,941	0.2	282	77,838	0.3	253
Less than 30 days	35,262	3.2	1,124	24,711	3.6	900
30 to 60 days	10,576	12.3	1,301	11,683	14.8	1,731
61 to 90 days	11,333	15.9	1,800	11,387	19.1	2,170
Greater than 90 days	155,695	20.2	31,497	162,058	23.5	38,023
Total	329,807		36,004	287,677		43,077

<i>Taxation and royalties debtors - assessed individually</i>				2024		
Administered on behalf of the whole of government	Gross receivables	Allowance for impairment	Carrying amount	Gross receivables	Allowance for impairment	Carrying amount
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Not yet due	18	(18)		1	(1)	..
Less than 30 days	292	(292)		29	(29)	..
30 to 60 days	47	(47)		128	(128)	..
61 to 90 days	459	(459)		227	(227)	..
Greater than 90 days	25,794	(25,794)		8,420	(8,420)	..
Total	26,610	(26,610)		8,805	(8,805)	..

Fines and penalty debt receivables are impaired on consideration of the best estimate of expected future credit losses and the likelihood of collectability with reference to historical activity for the specific debt types being assessed. Historical activity of the specific debt is determined based on a debt finalisation rate. Debt finalisation rate is the average rate of debt resolved through payment, non-monetary satisfaction, recalled or withdrawn by issuing agencies. Management judgement is required in assessing the debt finalisation rates.

<i>Fines and penalty debt debtors - assessed collectively using a provision matrix</i>				2024		
Administered on behalf of the whole of government	Gross receivables	Loss rate	Expected credit losses	Gross receivables	Loss rate	Expected credit losses
	\$'000	%	\$'000	\$'000	%	\$'000
Less than 35 days	73,195	12.4	9,080	74,722	10.4	7,756
Greater than 35 days*	1,023,049	24.5	250,301	1,085,854	25.7	278,882
Total	1,096,244		259,381	1,160,576		286,638

*Fines and penalty debt receivables are over 35 days when they are referred to the debt registry (SPER) from the referring agencies.

2025
\$'000

2024
\$'000

37 Other financial assets

Administered on behalf of the whole of government		
Queensland Future Fund – Debt Retirement Fund (DRF) – FRN with QTC	11,865,277	9,772,830
Reconciliation of movements in the DRF		
Opening balance	9,772,830	8,336,101
Add: Additional contributions	553,553	..
Add: Interest income reinvested	680,698	570,905
Add: Gain/(loss) on fair value movement of the fixed rate note	858,196	865,824
Closing balance	11,865,277	9,772,830

Accounting policy – Other financial assets

Other Financial Assets represent the Queensland Future Fund – Debt Retirement Fund (DRF) Fixed Rate Note (FRN) with QTC. The DRF was established under section 9 of the *Queensland Future Fund Act 2020 (the QFF Act)* as a sub-fund of the Queensland Future Fund for the purpose of providing funding for reducing the state's debt. Funds invested in the DRF are held for future growth to be used to offset state debt to support Queensland's credit rating.

Contributions to the DRF include investments directed by the Treasurer to be contributed to the fund under section 10 of the *QFF Act* and any amounts that must be contributed to the fund under another Act. In accordance with the *QFF Act*, payments from the DRF may only be made to reduce the state's debt or pay fees or expenses relating to the administration of the fund. No payments from the DRF were made for debt repayment within the financial year.

In 2020–21, Treasury entered into a DRF FRN agreement with QTC. Under the agreement, assets may be contributed by the state to meet the purpose of the DRF from time to time. The DRF transfers any contributed assets received to QTC and in consideration, QTC increases the value of the DRF FRN to Treasury. QTC invests the contributed assets in the DRF portfolio. In 2024–25, Treasury contributed additional \$553.553 million to the DRF as a result of the transfer of a long-term asset investment from Consolidated Fund.

The FRN is recognised at FVTPL under AASB 9 *Financial Instruments*. Under the terms of the DRF FRN agreement, interest is calculated daily on the book value of the DRF FRN with interest capitalised monthly. The interest rate on the DRF FRN is an effective rate of 6.5% per annum. The DRF FRN is valued at the fair value of the DRF asset portfolio. The fair value methodology applied to the FRN is classified as Level 3 in the fair value hierarchy as it is based on the fair value of the corresponding assets in the DRF portfolio, which utilises significant unobservable inputs.

The fair value of the FRN is payable by QTC to Treasury on the termination date and upon payment, the DRF FRN will be cancelled. Treasury may from time to time request a payment of some part of the DRF FRN. In this event, QTC will dispose part of its interest in the DRF portfolio to fund the repayment.

QTC DRF Portfolio

The DRF FRN is supported by the DRF portfolio invested in unit trust arrangements managed by QIC Limited and held on QTC's balance sheet. The DRF portfolio is overseen by the State Investment Advisory Board (SIAB), an advisory board appointed under the *Queensland Treasury Corporation Act 1988*.

QTC's SIAB determines the investment objectives, asset allocations, risk profiles and strategy for the DRF portfolio within the framework provided by Government. QIC Limited as the investment manager for the portfolio implements the investment objectives set by SIAB for the DRF portfolio.

37 Other financial assets (continued)

The actual asset allocations of the DRF portfolio invested in QIC Limited unit trusts are:

	2025 \$'000	2024 \$'000
Defensive assets		
Cash	1,484,738	1,240,867
Fixed interest	332,473	443,846
Growth assets		
Equities	3,644,249	3,605,133
Diversified alternatives	1,543,215	1,196,452
Unlisted assets		
Infrastructure*	1,505,875	896,991
Private equities	984,695	381,447
Real estate	2,337,110	1,976,164
Currency overlay	32,922	31,930
	11,865,277	9,772,830

*The DRF portfolio includes a 20.21% (2024: 20.76%) in direct holding of Queensland Titles Registry Pty Ltd within the infrastructure and real estate asset allocation.

Investment performance

The DRF portfolio investment return objective is to achieve CPI plus 3.5% (before fees) over a rolling 10-year horizon. The return on the DRF portfolio, for the financial year was 15.29% (2024: 17.24%). Returns from the DRF are quarantined and reinvested in the DRF asset portfolio.

2025	2024
\$'000	\$'000

38 Interest bearing liabilities and derivatives

Administered on behalf of the whole of government		
Current - Interest bearing liabilities		
Advances payable to GOCs*	3,420,522	2,939,988
Commonwealth borrowings	4,481	3,978
Total current interest bearing liabilities	3,425,003	2,943,966
Non-current - Interest bearing liabilities		
QTC borrowings**	64,147,326	50,447,750
Commonwealth borrowings	16,533	14,697
Less concessional loan discount and unwind	(1,150)	(825)
Total non-current interest bearing liabilities	64,162,709	50,461,622
Non-current - Derivatives		
Commodity and electricity derivative instruments	56,504	..
Total non-current interest bearing liabilities and derivatives	64,219,213	50,461,622

*GOCs are required to make any surplus cash available to the General Government Sector through modified set-off banking arrangements. Advances are made to the Treasury Offset Bank Account arrangement (note 35). Interest charged on advances payable to GOCs are based on QTC interest rates between 4.34% and 5.55% (2024: between 4.06% and 8.62%) along with an administration margin of 0.12% (2024:0.12%).

**Interest is charged on whole-of-government borrowings with QTC at rates of between 2.66% and 5.02% (2024: between 2.66% and 4.61%) along with an administration margin at the rate of 0.07% (2024:0.07%) which is accrued and paid quarterly to QTC.

38 Interest bearing liabilities and derivatives (continued)

Accounting policy – Interest bearing liabilities

Interest bearing liabilities are initially recognised at fair value, plus any transaction costs, then subsequently held at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments through the expected life of a financial instrument to the net carrying amount of that instrument. The fair value of the interest bearing liabilities subsequently measured at amortised costs is set out in note 40(e). Borrowings are split between current and non-current liabilities using the principles set out in note 1(e).

Accounting policy – Derivatives

The department is responsible for administering the State's entitlement and obligations for commodity and electricity price hedge instruments related to renewable solar energy investment projects.

Embedded derivatives are not separated from the host commodity contracts and accounted for separately. These are hybrid contracts with bundled price hedge arrangements classified as financial instruments measured at fair value through profit and loss. These are initially recognised at fair value on execution of the contracts and subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is classified as held for trading or is designated as a hedging instrument, and if so, the nature of the item being hedged.

Derivative financial instruments spanning both current and non-current periods are split into their current and non-current components prior to valuation. The fair value of these components is then classified as current when the maturity profile is less than 12 months and classified as a non-current when the maturity profile is greater than 12 months.

39 Contingencies

Litigation in progress

As at 30 June 2025, the following number of cases were filed in the courts:

	Cases	Estimated amount \$'000
Supreme Court	25	312,957
Civil and Administrative Tribunal	46	4,015
Total	71	316,972

These cases relate to revenue collected by the Queensland Revenue Office. Treasury's legal advisers and management believe there is insufficient information available to determine the outcome of the abovementioned cases. Accordingly, no provision has been taken up in Treasury's financial statements.

Deed of Guarantee

On 31 July 2020, the Treasurer guaranteed the financial obligations of borrowers under the Industry Support Package loan facilities for the benefit of QTC up to maximum amount of \$200 million under a Deed of Guarantee. No payments were made in 2024–25.

40 Financial instruments

(a) Categorisation of financial instruments

Administered on behalf of the whole of government			
Category	Notes	2025	2024
		\$'000	\$'000
Financial assets			
Cash and cash equivalents	35	1,888,984	(4,191,389)
Receivables*	36	2,162,034	2,132,896
Other financial assets	37	11,865,277	9,772,830
Other current assets		163	114
Total		15,916,458	7,714,451
Financial liabilities			
Payables		123,770	308,309
Transfer to government payable		2,171,810	2,105,958
Advances payable to GOCs	38	3,420,522	2,939,988
QTC borrowings	38	64,147,326	50,447,750
Commodity and electricity derivative instruments	38	56,504	..
Commonwealth borrowings held at amortised cost*	38	19,864	17,850
Other liabilities		415	424
Total		69,940,211	55,820,279

*DRFA loans are carried at amortised cost, \$32.331 million (2024: \$27.411 million) with the Commonwealth portion of \$19.865 million (2024: \$17.85 million) and state portion of \$12.466 million (2024: \$9.561 million). The book value of DRFA loans amount to \$35.743 million (2024: \$29.976 million) with the state portion of \$14.728 million (2024: \$11.301 million) and a Commonwealth portion of \$21.015 million (2024: \$18.675 million). Interest is charged on DRFA loans at a predetermined rate and recognised as an expense as it accrues. Repayments are received yearly in arrears. The Commonwealth Attorney-General's Department – Emergency Management Australia determines the annual interest rate to be applied to the loans. In 2024–25 the interest rate was 2.14% (2024:1.79%), which was calculated based on the 10-year Commonwealth government bond rate, published by the Reserve Bank of Australia, using the averaged over the 3-month period between April and June 2024.

40 Financial instruments (continued)

(b) Financial risk management

Treasury's activities expose it to a variety of financial risks – credit risk, liquidity risk and market risk.

Treasury adopts a risk-based revenue management framework in conjunction with debt management strategies to manage credit risk. For more information on managing credit risk refer to note 36.

The management of financial risks is integral to Treasury's overall governance framework. Treasury has adopted various strategies for the mitigation of each risk category, including active monitoring by the Budget Strategy and Financial Reporting group of borrowings by the state on behalf of whole of government. It is assisted in the discharge of these responsibilities through the provision of professional advice and assistance by QTC for borrowings and short-term investments.

Treasury's internal financial reporting framework and oversight by the Executive Leadership Team also contribute to the effective management of financial risks.

(c) Liquidity risk

Treasury is exposed to liquidity risk in respect of its payables, Commonwealth borrowings, borrowings from QTC, advances payable to GOCs and commodity and electricity derivative.

The following table sets out the liquidity risk of financial liabilities held by Treasury. It represents the contractual maturity of financial liabilities, calculated based on undiscounted cash flows relating to the liabilities at reporting date. The undiscounted cash flows (includes principal and interest) in these tables differ from the amounts included in the Statement of Financial Position that are based on amortised cost and fair value.

QTC borrowings are interest only with no fixed repayment date for the principal component. For the purposes of completing the maturity analysis, the principal component of these loans has been included in the more than 5-year time band with no interest payment assumed in this time band.

Administered on behalf of the whole of government						
		2025 payable in			Total undiscounted cash flow \$'000	Carrying amount \$'000
		< 1 year	1 - 5 years	> 5 years		
	Notes	\$'000	\$'000	\$'000		
Financial liabilities						
Payables		123,770	..	..	123,770	123,770
Transfer to government payable		2,171,810	..	..	2,171,810	2,171,810
Commodity and electricity derivative instruments	38			56,504	56,504	56,504
Commonwealth borrowings*	38	4,931	13,992	3,841	22,764	21,015
Advances payable to GOCs	38	3,420,522	..	..	3,420,522	3,420,522
QTC borrowings	38	2,391,391	9,563,497	64,087,594	76,042,482	64,147,326
Other liabilities		415	..	..	415	415
Total		8,112,839	9,577,489	64,147,939	81,838,267	69,941,362

*Carrying amount excludes amortised cost component of Commonwealth borrowings.

40 Financial instruments (continued)

(c) Liquidity risk (continued)

Administered on behalf of the whole of government						
		2024 payable in			Total undiscounted cash flow \$'000	Carrying amount \$'000
	Notes	< 1 year \$'000	1 - 5 years \$'000	> 5 years \$'000		
Financial liabilities						
Payables		308,309	..	..	308,309	308,309
Transfer to government payable		2,105,958	..	..	2,105,958	2,105,958
Commonwealth borrowings*	38	3,978	12,359	2,338	18,675	18,675
Advances payable to GOCs	38	2,939,988	..	..	2,939,988	2,939,988
QTC borrowings	38	1,567,804	6,263,600	50,407,267	58,238,671	50,447,750
Other liabilities		424	..	..	424	424
Total		6,926,461	6,275,959	50,409,605	63,612,025	55,821,104

*Carrying amount excludes amortised cost component of Commonwealth borrowings.

(d) Market risk

While Treasury administered does not trade in foreign currency, the mining industry is impacted by changes in the Australian dollar exchange rate and commodity prices, which may impact the royalty revenue received.

Treasury is exposed to interest rate risk through its investments in the DRF and its borrowings, loans and advances and cash deposited in interest bearing accounts.

Sensitivity analysis – interest rates

Sensitivity to interest rate movements is shown for variable financial assets and liabilities based on the carrying amount at reporting date. The following interest rate sensitivity analysis depicts the outcome on administered net operating result and on the appropriation revenue/transfers to government expense if interest rates were to change by +/- 1% for 2025 (2024: +/- 1%) to reflect current expectations of future interest rate movement in the next 12 months from the year-end rates applicable to Treasury's financial assets and liabilities.

Administered on behalf of the whole of government					
Financial instruments	Carrying amount	2025 Interest rate risk			
		-1%		1%	
		Net operating result**	Appropriation revenue/Transfers to Gov't expense**	Net operating result**	Appropriation revenue/Transfers to Gov't expense**
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents	(475,658)	4,757	(4,757)	(4,757)	4,757
Receivables					
Loans and advances	21,015	(210)	210	210	(210)
Interest bearing liabilities					
Commonwealth borrowings	21,015	210	(210)	(210)	210
Advances payable to GOCs	3,420,522	34,205	(34,205)	(34,205)	34,205
QTC borrowings – General Debt Pool (floating rate)*	61,048,208	36,037	(36,037)	(31,133)	31,133
QTC borrowings – Variable Rate Loan	3,099,118	30,991	(30,991)	(30,991)	30,991
Potential impact		105,990	(105,990)	(101,086)	101,086

40 Financial instruments (continued)

(d) Market risk (continued)

Administered on behalf of the whole of government					
Financial instruments	Carrying amount	2024 Interest rate risk			
		-1%		1%	
		Net operating result**	Appropriation revenue/Transfers to Gov't expense**	Net operating result**	Appropriation revenue/Transfers to Gov't expense**
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents	(4,732,161)	47,322	(47,322)	(47,322)	47,322
Receivables					
Loans and advances	18,675	(187)	187	187	(187)
Interest bearing liabilities					
Commonwealth borrowings	18,675	187	(187)	(187)	187
Advances payable to GOCs	2,939,988	29,400	(29,400)	(29,400)	29,400
QTC borrowings – General Debt Pool (floating rate)*	47,348,671	27,592	(27,592)	(23,381)	23,381
QTC borrowings – Variable Rate Loan	3,099,080	30,991	(30,991)	(30,991)	30,991
Potential impact		135,304	(135,304)	(131,093)	131,093

*QTC borrowings – General debt pool is based on QTC sensitivity analysis and not based on the +/-1% (2024: +/-1%) change in interest rates.

**This reflects the impact of interest rate movements to net operating result excluding appropriation revenue and transfers to government expense. Changes in administered expenses will impact on appropriation revenue which funds administered expenses and changes in administered revenue will impact on remittance to the Consolidated Fund through the transfers to government expense account.

Sensitivity analysis – Commodity price

Treasury is exposed to commodity price risk through the commodity and electricity derivative transferred as part of the machinery-of-government changes effective at 1 November 2024. The derivative is exposed to electricity price movements in the National Electricity Market and environmental certificate price movements that affect the fair value and cash flows of the financial instruments.

The table summarises the sensitivity of the department's derivative financial instruments to commodity and electricity price risk. The analysis assumes simultaneous and standardised upward and downward movements of commodity and electricity prices of 10%, which reflects the market sensitivity of contracts held by the department at the balance sheet date.

Administered on behalf of the whole of government					
Financial instruments	Carrying amount	2025 Commodity price risk			
		-10%		10%	
		Net operating result**	Appropriation revenue/Transfers to Gov't expense**	Net operating result**	Appropriation revenue/Transfers to Gov't expense**
	\$'000	\$'000	\$'000	\$'000	\$'000
Commodity and electricity derivative instruments	56,504	5,650	(5,650)	(5,650)	5,650

40 Financial instruments (continued)

(e) Fair value

Fair value hierarchy

Financial instruments measured at fair value have been classified in accordance with the hierarchy described in AASB 13 *Fair Value Measurement*. The fair value hierarchy is categorised into 3 levels based on the observability of the inputs to fair valuation techniques.

- Level 1 – represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities.
- Level 2 – represents fair value measurements that are substantially derived from inputs (other than quoted prices included within Level 1) that are observable, either directly or indirectly.
- Level 3 – represents fair value measurements that are substantially derived from unobservable inputs.

According to the above hierarchy, the fair values of each class of financial instrument carried at fair value are as follows:

Class		Classification according to fair value hierarchy			2025 Total carrying amount \$'000
		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	
Financial assets and liabilities					
Cash and cash equivalents					
Other administered bank accounts		2,364,642	..	..	2,364,642
Whole-of-government Treasury Offset Arrangement		(475,658)	..	..	(475,658)
Other financial assets		..	..	11,865,277	11,865,277
Commodity and electricity derivative instruments				56,504	56,504
Total		1,888,984	..	11,921,781	13,810,765

Class		Classification according to fair value hierarchy			2024 Total carrying amount \$'000
		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	
Financial assets and liabilities					
Cash and cash equivalents					..
Other administered bank accounts		540,772	..	..	540,772
Whole-of-government Treasury Offset Arrangement		(4,732,161)	..	..	(4,732,161)
Other financial assets		..	..	9,772,830	9,772,830
Total		(4,191,389)	..	9,772,830	5,581,441

The fair value of monetary financial assets and financial liabilities, other than QTC borrowings, is based on market prices where a market exists, or is determined by discounting expected future cash flows by the current interest rate for financial assets and liabilities with similar risk profiles. The fair value of other financial assets (Queensland Future Fund) is affected by the fair value of the underlying investments managed in the QIC Limited trust for QTC.

Derivative financial liabilities are categorised within level 3 of the fair value hierarchy. Structured commodity and derivative contracts are negotiated directly with counterparties with no observable market prices for component instruments. The valuation technique used to estimate the fair value commodity and energy contracts takes into account all relevant variables including forecast commodity and electricity prices, physical generation plant variables, transmission losses, energy policy considerations, the risk-free discount rate and related credit adjustments.

40 Financial instruments (continued)

(e) Fair value (continued)

To the maximum extent possible, valuations are based on assumptions which are supported by independent or observable market data. Where valuation models are used, instruments are discounted at the market interest rate applicable to the instrument.

The fair value of QTC borrowings is notified by QTC. The fair value of loans and borrowings is calculated using discounted cash flow analysis and the effective interest rate. The fair value of financial assets and liabilities carried at amortised cost is disclosed below.

Administered on behalf of the whole of government				
Fair value				
	2025		2024	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Receivables				
Loans and advances*	36,514	31,318	31,513	25,522
	36,514	31,318	31,513	25,522
Financial liabilities				
Interest bearing liabilities – Commonwealth borrowings*	21,015	19,421	18,675	16,759
Interest bearing liabilities – QTC borrowings	64,147,326	60,369,098	50,447,750	44,704,198
Total	64,168,341	60,388,519	50,466,425	44,720,957

*Carrying amount excludes amortised cost component of Loans and advances and Commonwealth borrowings.

41 Budget vs actual comparison

A budget vs actual comparison, and explanations of major variances, has not been included for the Statement of Cash Flows, as major variances relating to that statement have been addressed in explanations of major variances for other statements.

Certain responsibilities were transferred to Treasury as part of the machinery-of-government changes in 2024–25 (refer to note 2 (c)). The budget figures used in this comparison represent the Adjusted budget figures for 2024–25, as published in the latest (2025–26) Service Delivery Statements tabled in Parliament. The original budget figures used in the previous Service Delivery Statements no longer serve as a useful basis to compare to Treasury's actual results.

Explanation of major variances for Administered Statement of Comprehensive Income

Note 25 Grants and other contributions

The increase primarily relates to unbudgeted Disaster Recovery Payments from the Commonwealth Government (\$1.22 billion). Also contributing are higher National Partnership Payments for capital projects, mainly for roads and rail infrastructure projects (\$554.272 million) and higher GST revenue (\$518.689 million).

Note 27 Royalties

The decrease primarily relates to lower coal royalties (\$759.235 million) due to a decrease in coal prices, partially offset by higher other mining royalties (\$106.529 million) and petroleum and gas royalties (\$95.89 million) due to increase in oil prices.

Note 30 Interest revenue

The increase is mainly due to higher interest earned on the Treasury Offset Account (\$62.182 million), interest earned on trust fund relating to the Property Occupations Act 2014 and Motor Dealers and Chattel Auctioneers Act 2014 (\$49.254 million) and interest earned by the Queensland Future Fund - Debt Retirement Fund (\$27.754 million).

Gain on fair value movement of other financial assets and liabilities

The increase relates to a net gain of \$858.196 million resulting from the increase in fair value of the Queensland Future Fund –Debt Retirement Fund. This is partially offset by a decrease of \$44.54 million due to the reversal of SPER impairments which was budgeted as gains on sale/revaluation of assets but reported as part of the losses on assets.

Note 32 Losses on assets

The increase is associated with the movements in impairment losses and bad debts expenses in the Queensland Revenue Office, including SPER.

Note 33 Grants and subsidies

The increase is mainly due to an increase in payments to government-owned corporations through Community Service Obligations to support equitable electricity prices for regional Queensland customers (\$48.679 million), partially offset by lower than expected payments under the First Home Owner Grant (\$29.299 million).

Note 34 Other expenses

The increase is mainly due to higher Annual Leave Central Scheme claims (\$714.611 million), Long Service Leave Central Scheme claims (\$37.394 million) and reinsurance costs (\$13.526 million). This is partially offset by lower than expected Superannuation Benefit payments (\$250.089 million) and QGIF claims (\$45.035 million).

Transfers of administered revenue to government

Transfers of Administered Revenue to Government represent revenues collected on behalf of the Queensland Government that are transferred to the Consolidated Fund. The increase is mainly due to higher revenue received from Commonwealth government (refer to Note 25), and higher stamp duties and interest received. This is partially offset by lower royalties revenue (refer to Note 27).

Total administered comprehensive income

The increase relates to the Queensland Future Fund – Debt Retirement Fund mainly due to unbudgeted fair value increment (\$858.196 million).

Explanation of major variances for Administered Statement of Financial Position

Note 35 Cash and cash equivalents

The increase is mostly attributable to the Treasury Offset Account (TOA) (\$2.287 billion). The purpose of TOA is to act as an offset account against departmental and consolidated fund cash balances under the whole of Government cash offset arrangements to facilitate the management of whole of Government cash position. As such, the balances in TOA fluctuate

41 Budget vs actual comparison (continued)

Explanation of major variances for Administered Statement of Financial Position (continued)

Note 35 Cash and cash equivalents (continued)

from year to year depending on the balances of other accounts within the whole of Government cash offset arrangements. This is partially offset by decreased cash balance in Treasury Administered account (\$1.035 billion), mainly resulting from Commonwealth funding received on 30 June being budgeted to be transferred to the Consolidated Fund in July but actually transferred on 30 June, partially offset by the equity injection received in 2024–25 by the department to pay government-owned corporations for critical infrastructure investments not fully paid out at the year end.

Other current assets

The increase is mainly due to an increase in prepaid reinsurance premiums by the Queensland Government Insurance Fund.

Note 36 Receivables – non-current

The increase primarily reflects the level of loans associated with the Natural Disaster Relief and Recovery Arrangements.

Note 37 Other financial assets

The increase relates to the Queensland Future Fund - Debt Retirement Fund mainly, including movements in fair values and additional investments.

Payables

The increase mainly relates to Community Service Obligation payments to government-owned corporations to support equitable electricity prices for regional Queensland customers (\$76.525 million).

Transfer to government payable

This reflects administered revenue earned but yet to be transferred to the Consolidated Fund at year end. The decrease is mainly due to Commonwealth funding received on 30 June being budgeted to be transferred to the Consolidated Fund in July but actually transferred on 30 June. Also contributing is less than projected revenue earned but not yet transferred to the Consolidated Fund by the Queensland Revenue Office at year end.

Note 38 Interest-bearing liabilities – current

The increase mainly reflects the level of advances from GOCs (\$1.909 billion) under the GOCs cash management arrangements.

Other liabilities

The increase mainly reflects the level of unearned revenue relating to royalties (\$19.285 million) and land tax revenue (\$17.77 million), partially offset by lower than budgeted unearned revenue for transfer duty (\$9.464 million).

Other Note Disclosures

42 Related entity transactions with other Queensland Government controlled entities

The references to note numbers in the following disclosures may include other items to those listed below that are not classified as material or significant related entity transactions.

Controlled transactions

Controlled	
Note Reference	Description of Related entity transactions
Note 3: Appropriation revenue and Equity	Treasury's primary source of funding for the controlled books are appropriation revenue and equity injections from the State's Consolidated Fund.
Note 4: User Charges and Fees	Treasury received revenue from the Department of Education for provision of data for education services (\$1.56 million) and QGrants system support services (\$0.605 million), from Queensland Health for preventative health surveys (\$1.019 million), from Department of Trade, Employment and Training for employment related data collection (\$0.401 million) and QGrants system support services (\$0.593 million) and from the Department of Women, Aboriginal and Torres Strait Islander Partnerships and Multiculturalism for provision of statistical services (0.526 million).
	Treasury received revenue from the Department of Housing and Public Works to recover costs associated with the Independent Review of Homelessness Response (\$0.894 million) programs.
	Treasury received revenue from the Motor Accident Insurance Commission and Nominal Defendant for corporate support (\$1.255 million), Information and Communication Technology services (\$0.826 million) and actuarial services (\$0.651 million). Revenue is also received from the National Injury Insurance Scheme Queensland for Information and Communication Technology services (\$1.321 million) and actuarial services (\$0.133 million).
Statement of Comprehensive Income: Grants and contributions	Treasury received contribution from Powerlink Queensland (\$6.284 million) towards the Queensland Government's funding commitment to the Australian Energy Market Commission.
Note 6: Other revenue	Treasury received return of unspent funding from Queensland Rural and Industry Development Authority in relation to the Battery Booster program (\$1.428 million) and the Queensland Business Energy Saving and Transformation rebates (\$0.834 million)
Note 8: Supplies and Services	Treasury paid the Department of Housing and Public Works for management of accommodation leases (\$26.127 million) and computer facilities management (\$1.014 million), Queensland Shared Services for business service fees, technical solutions and integrated contact centre fees (\$2.14 million) and CITEC for infrastructure and network services (\$0.901 million) and confirm service fees (\$0.608 million).
Note 9: Grants and Subsidies	Treasury paid grants to the Department of Housing and Public Works (\$10.4 million) for the Social Housing Energy Program, to Powerlink Queensland (\$3.168 million) for Energy Roadmap Modelling, and to Energy Queensland (1.25 million) for the Microgrid Pilot Project. Treasury has also paid the Department of Natural Resources and Mines, Manufacturing and Regional and Rural Development (\$1.031 million) and the Department of Environment, Tourism, Science and Innovation (\$0.298 million) for the Financial Provisioning Scheme.
Note 11: Other expenses	Treasury paid to the Queensland Audit Office audit fees relating to the 2024–25 financial statements.
	QTC provides company secretariat and accounting services to QTH. A fee of \$0.373 million was charged for these services.
Note 12: Cash and cash equivalents	Treasury invested funds held by the Financial Provisioning Scheme in QTC Cash Fund amounting to \$31.939 million and interest revenue net of management fees received during the year totalled \$1.539 million.
	QTH invested funds with the QTC Cash Fund as at 30 June 2025 totalled \$104.2 million and interest revenue net of management fees received during the year totalled \$4.7 million.
Note 14: Other financial assets	Treasury holds various investments managed by QIC Limited which includes the BDF, QBIF, Repluca and LTDF. Investment management fees of \$1.787 were paid in relation to LTDF.
Note 18: Interest bearing liabilities	QTH has loan balances outstanding to QTC as at 30 June 2025 of \$96.2 million with interest expense and fees totalling \$4.7 million capitalised against these loans.

42 Related entity transactions with other Queensland Government controlled entities (continued)

Administered transactions

Administered	
Note Reference	Description of Related entity transactions
Note 26: Taxes	Treasury's Queensland Revenue Office is responsible for administering local government tax equivalents under the <i>Local Government Act 2009</i> . Commercialised business units that are in scope under these administrative arrangements are subject to payroll tax, land tax, vehicle registration duty, insurance duty and transfer duty (\$371.287 million).
Note 27: Royalties	Treasury administers collection of royalties (\$22.33 million) from GOCs.
Note 28: Appropriation revenue and Statement of Comprehensive Income - Transfers of administered revenue to government	Treasury receives appropriation revenue provided in cash via the State's Consolidated Fund. State revenue collection is transferred to the Consolidated Fund.
Note 29: Fees and other revenue	Treasury administers the collection of competitive neutrality fees from GOCs under the National Competition Policy.
Note 33: Grants and Subsidies	Treasury administers grant payments to statutory bodies including Trade and Investment Queensland (\$36.934 million) and Queensland Competition Authority (\$3.904 million) and Queensland Productivity Commission (\$1.006 million).
	Treasury administers community service obligation payments to Energy Queensland (\$425.4 million)
Supplies and services	Treasury incurred land valuation fee expenses of \$5.65 million to the Department of Natural Resources and Mines, Manufacturing and Regional and Rural Development.
Note 34: Other expenses	Treasury administers the Queensland Government Insurance Fund, which receives premiums from and pays claims to member agencies relating to a full suite of insurance lines.
Note 35: Cash assets	Treasury operates a whole of government offset arrangement, which includes the Treasury Offset Bank Account and a Working Capital Facility. Note 35 outlines the key terms and conditions of these arrangements which covers advances and principal repayments from the General Government Debt Pool disclosed in Note 38. This includes advances from GOCs under the GOC cash offset arrangements.
Note 36: Receivables	Treasury administers the provision of State and Commonwealth loans (\$9.928 million) for DRFA to QRIDA. Treasury paid administration fees (\$2.948 million) in relation to the loans.
Note 37: Other financial assets	Treasury holds investment in the Queensland Future Fund. The DRF, a sub-fund of the Queensland Future Fund holds FRN with QTC.
Note 38: Interest bearing liabilities	Treasury pays interest for borrowings it undertakes with QTC.
Administered Statement of Cash Flows: Equity injection and withdrawals	Treasury received equity injection from the Consolidated Fund as a result of the transfer of the Energy function. Treasury paid equity funding from the Queensland Renewable Energy and Hydrogen Jobs Fund to Stanwell for the Central Renewable Energy Zone Battery (\$283.233 million) and for the Wambo Wind Farm (\$118.429 million) projects and to CS Energy for wind farm investments in Central Queensland (\$126.188 million). Treasury also paid \$50 million to North Queensland Bulk Ports for the replacement of Bowen Wharf project. Equity withdrawal for borrowing requirements is also paid to the Consolidated Fund.

43 Transfer payments

Payments under the Intergovernmental Agreement on Federal Financial Relations are made from the Commonwealth Treasury to the state and territory treasuries. These payments represent Specific Purpose Payments, National Partnership Payments and general revenue assistance.

While most of these payments are receipted and paid out to departments via appropriation funding, some payments are passed on directly to the relevant entities. These payments occur where:

- the payment is ultimately for a third party, for example, non-government schools
- the payment is a reimbursement of expenditure incurred by the State after invoicing the Commonwealth, or
- the agreement with the Commonwealth requires the payment to be paid into an interest bearing account held by the final recipient of the funding.

Amounts received from the Commonwealth for direct payments to the following entities in 2024–25 totalled \$4.664 billion (2024: \$4.337 billion):

- Department of Education – quality schools funding, \$4.593 billion (2024: \$4.278 billion).
- Department of Primary Industries – pest and disease preparedness and response programs, \$70.779 million (2024: \$58.487 million).

44 Agency transactions

Treasury currently acts as an agent and processes grant payments on behalf of a number of Queensland Government departments. These transactions do not form part of Treasury's accounts and are instead reported by the various departments. For the 2024–25 financial year, the total value of grants paid was \$536.678 million (2024: \$439.812 million).

Australian Retirement Trust operates the Employers Contribution bank account on behalf of Treasury, in accordance with the *Financial Accountability Act 2009*. The account is utilised to provide for the whole-of-government Long Service and Annual Leave Central Schemes and Employer Superannuation Contributions. The account balance as at 30 June 2025 was \$4.834 million (2024: \$0.753 million), which represents money in transit to be identified as owing to either the Consolidated Fund and/or other Government Agencies.

45 Trust transactions and balances

Treasury also acts as an agent in the collection and distribution of unpaid infringement fines and court ordered monetary amounts for various external parties including local government bodies, universities and individuals.

	2025 \$'000	2024 \$'000
Opening balance	12,398	13,902
Collections	58,735	53,476
Distributions to principals	(57,378)	(55,191)
Others	5	211
Balance 30 June	13,760	12,398

As Treasury performs only a custodial role in respect of these transactions and balances, they are not recognised in the financial statements but are disclosed in these notes for the information of users. While these transactions and balances are in the care of Treasury, they are subject to Treasury's normal system of internal control and external audit by the Auditor-General (notes 43–45).

These general purpose financial statements have been prepared pursuant to s.62(1) of the *Financial Accountability Act 2009* (the Act), section 38 of the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with 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 Queensland Treasury and the consolidated entity for the financial year ended 30 June 2025 and of the financial position of Queensland Treasury and the consolidated entity at the end of that year.

The Under Treasurer, as the Accountable Officer of the Department, acknowledge(s) responsibility under s.7 and s.11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.



P. Williams
Under Treasurer
27 August 2025



D. Brooks
Chief Finance Officer
27 August 2025

INDEPENDENT AUDITOR'S REPORT

To the Accountable Officer of Queensland Treasury

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Queensland Treasury (the parent) and its controlled entities (the group).

The financial report comprises the statements of financial position and statements of assets and liabilities by major departmental services as at 30 June 2025, the statements of comprehensive income, statements of changes in equity, statements of cash flows and statements of comprehensive income by major departmental services for the year then ended, notes to the financial statements including material accounting policy information, and the management certificate.

In my opinion, the financial report:

- a) gives a true and fair view of the parent's and group's financial position as at 30 June 2025, and their financial performance for the year then ended; and
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.

Basis for opinion

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

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

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

Key audit matters

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

Completeness of Tax revenue (\$21.439 billion for the year ended 30 June 2025) and Royalties (\$7.892 billion for the year ended 30 June 2025)

Refer to notes 26 and 27 in the financial report

Key audit matter	How my audit procedures addressed this key audit matter
Taxes and royalties are material administered balances of the department. The self-assessed nature of certain taxes, including duties (\$9.482 billion), payroll tax (\$6.855 billion), and royalties increases the risk over the completeness of amounts collected and accrued, as reported in the administered statement of comprehensive income. Completeness of revenue recognised is dependent on whether: - all required assessments have been lodged by self-assessors - the self-assessed amounts have been calculated accurately including ensuring: - all assessable transactions and balances are included - the assessable transactions and balances are reported at appropriate amounts. The department verifies taxpayer compliance using a risk-management approach. The department has implemented an annual compliance program to address this risk.	My procedures included, but were not limited to: - Testing the controls within the revenue management system to confirm the accuracy of tax and royalty calculations. - Reviewing the design and implementation of Queensland Treasury's compliance programs for taxes and royalties and assessing the outcomes, including recoveries, to determine the impact on the overall revenue. - Performing the following analytical review over taxes and royalties by: - analysing and corroborating the year-on-year trends at business partner level to identify any unusual movements/relationships - comparing the trends in external data to the movement in taxes and royalties, and corroborating any unusual movements/relationships - analysing and corroborating the year-on-year trends between actual and budgeted taxes and royalties.

Impairment of State Penalties Enforcement Registry (SPER) Fines Receivable

(fines and penalty debt revenue \$698.348 million for the year ended 30 June 2025; receivables of \$1.099 billion as at 30 June 2025)

Refer to notes 29, 32 and 36 in the financial report

Key audit matter	How my audit procedures addressed this key audit matter
SPER receivables are material administered assets of the department. SPER debts are impaired based on the likelihood of collectability with reference to historical activity for the specific debt types assessed. Management judgement is required in assessing the extent to which debts may be impaired.	My procedures included but were not limited to: - assessing management's controls over SPER collection and finalisation rates of the referred debts; as these impact the determination of the long-term debt finalisation, withdrawal and recall rates. - obtaining an understanding of the methodology used and assessing its design, integrity and appropriateness. - recalculating the long-term debt finalisation, withdrawal and recall rates to validate the mathematical accuracy of the model. - recalculating the impairment charge by applying the long-term debt finalisation, withdrawal and recall rates to the debt pool and comparing the impairment charge to the general ledger. - assessing the extent to which management's assessment of impairment reflects current economic circumstances.

Responsibilities of the accountable officer for the financial report

The accountable officer is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards, and for such internal control as the accountable officer determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The accountable officer is also responsible for assessing the group'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 group 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/auditors_responsibilities/ar5.pdf

This description forms part of my auditor's report.

Report on other legal and regulatory requirements

Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2025:

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

Prescribed requirements scope

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



Patrick Flemming FCPA
as delegate of the Auditor-General

28 August 2025

Queensland Audit Office
Brisbane