

Financial statements

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Introduction

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 38–40.

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

Queensland Treasury
Controlled Statement of Comprehensive Income
for the year ended 30 June 2026

	Notes	Consolidated Entity*		Parent Entity			
		2026	2025	2026	2026	2026	2025
		Actual	Actual	Actual	Original budget	Budget variance	Actual
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income from operations							
Appropriation revenue	3	495,301	522,381	495,301	881,781	(386,480)	522,381
User charges and fees	4	109,565	100,320	109,565	94,432	15,133	100,320
Interest revenue	5	66,041	57,220	56,314	41,865	14,449	45,967
Grants and contributions		9,216	4,792	9,216	9,216	..	4,792
Other revenue		9,026	11,271	8,966	1,326	7,640	10,977
Total revenue		689,149	695,984	679,362	1,028,620	(349,258)	684,437
Gain on fair value movement of other financial assets	12	46,152	14,682	46,152	..	46,152	..
Total income from continuing operations		735,301	710,666	725,514	1,028,620	(303,106)	684,437
Expenses from operations							
Employee expenses	6	273,303	290,588	273,303	287,967	(14,664)	241,931
Supplies and services	7	182,841	370,070	182,841	320,792	(137,951)	167,431
Grants and subsidies	8	116,636	138,540	116,636	308,874	(192,238)	138,540
Losses on assets	12	14,138	21,889	..	..	..	2,936
Depreciation and amortisation		1,082	3,660	1,082	598	484	626
Interest expense		4,584	10,687	..	..	..	..
Other expenses	9	14,269	14,924	12,927	13,194	(267)	13,143
Total expenses from continuing operations		606,853	850,358	586,789	931,425	(344,636)	564,607
Operating result from continuing operations		128,448	(139,692)	138,725	97,195	41,530	119,830
Gain on the derecognition of controlled entity	16	..	193,600	..	..	..	..
Operating result before income tax expense		128,448	53,908	138,725	97,195	41,530	119,830
Income tax (benefit)/expense		(3,696)	5,594	..	..	..	..
Operating result for the year		132,144	48,314	138,725	97,195	41,530	119,830
Other comprehensive income							
Items that will not be reclassified to operating result							
Decrease in revaluation surplus		..	(2,500)	..	..	..	(2,500)
Total other comprehensive income		..	(2,500)	..	..	..	(2,500)
Total comprehensive income		132,144	45,814	138,725	97,195	41,530	117,330

*Consolidated entity balances for 2025 include Queensland Hydro balances from 1 July 2024 to 11 June 2025. Refer to note 16.
The accompanying notes form part of these statements.

Queensland Treasury
Controlled Statement of Financial Position
as at 30 June 2026

	Notes	Consolidated Entity		Parent Entity			
		2026	2025	2026	2026	2026	2025
		Actual	Actual	Actual	Original budget	Budget variance	Actual
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current assets							
Cash and cash equivalents	10	472,942	652,292	356,390	321,401	34,989	548,070
Receivables	11	112,727	50,756	110,748	36,265	74,483	39,669
Other financial assets	12	1,757	..	1,757	..	1,757	..
Other assets		15,949	14,543	15,311	12,440	2,871	14,017
Total current assets		603,375	717,591	484,206	370,106	114,100	601,756
Non-current assets							
Receivables	11	115,840	125,294	23,513	23,512	1	30,989
Other financial assets	12	1,199,768	930,955	1,116,759	924,159	192,600	833,809
Property, plant and equipment	2 (d)	1,016	163,103	1,016	169,172	(168,156)	163,103
Intangibles		3,602	2,453	3,602	18,235	(14,633)	2,453
Deferred tax asset		11,306	7,069	..	..	..	..
Other non-current assets		1,261	964	1,261	..	1,261	964
Total non-current assets		1,332,793	1,229,838	1,146,151	1,135,078	11,073	1,031,318
Total assets		1,936,168	1,947,429	1,630,357	1,505,184	125,173	1,633,074
Current liabilities							
Payables	13	411,979	515,497	411,591	282,227	129,364	515,031
Interest bearing liabilities	14	1,979	1,886	..	..	..	..
Accrued employee benefits		10,009	8,505	10,009	9,495	514	8,505
Total current liabilities		423,967	525,888	421,600	291,722	129,878	523,536
Non-current liabilities							
Interest bearing liabilities	14	92,327	94,305	..	..	..	..
Total non-current liabilities		92,327	94,305	..	..	..	..
Total liabilities		516,294	620,193	421,600	291,722	129,878	523,536
Net assets		1,419,874	1,327,236	1,208,757	1,213,462	(4,705)	1,109,538
Equity							
Accumulated surplus		827,353	609,709	710,649	557,326	153,323	486,424
Revaluation surplus		..	85,500	..	88,000	(88,000)	85,500
Contributed equity		592,521	632,027	498,108	568,136	(70,028)	537,614
Total equity		1,419,874	1,327,236	1,208,757	1,213,462	(4,705)	1,109,538

The accompanying notes form part of these statements.

Queensland Treasury
Controlled Statement of Changes in Equity
for the year ended 30 June 2026

		Consolidated Entity		Parent Entity	
		2026	2025	2026	2025
		Actual	Actual	Actual	Actual
Notes		\$'000	\$'000	\$'000	\$'000
Accumulated surplus					
	Balance 1 July	609,709	253,730	486,424	366,594
	Operating result	132,144	48,314	138,725	119,830
	Transfer from revaluation surplus for transfer of assets	2 (d) 85,500	..	85,500	..
	Derecognition of total accumulated surplus - controlled entity	16 ..	307,665	..	..
	Balance 30 June	827,353	609,709	710,649	486,424
Revaluation surplus					
	Balance 1 July	85,500	88,000	85,500	88,000
	Decrease in asset revaluation surplus	..	(2,500)	..	(2,500)
	Transfer to accumulated surplus for transfer of assets	2 (d) (85,500)	..	(85,500)	..
	Balance 30 June	..	85,500	..	85,500
Contributed equity					
	Balance 1 July	632,027	886,097	537,614	484,019
	Transactions with owners as owners:				
	Appropriated equity injections	3 293,434	84,529	293,434	84,529
	Appropriated equity withdrawals	3 (10,440)	(20,871)	(10,440)	(20,871)
	Non-appropriated equity withdrawal*	(160,000)	..	(160,000)	..
	Net transfers as a result of machinery-of-government changes	..	(10,063)	..	(10,063)
	Assets transferred out to other Queensland Government entity	2 (d) (162,500)	..	(162,500)	..
	Derecognition of total contributed equity - controlled entity	16 ..	(307,665)	..	..
	Balance 30 June	592,521	632,027	498,108	537,614
Total equity		1,419,874	1,327,236	1,208,757	1,109,538

*Relates to Boost to Buy Home Ownership Scheme.
The accompanying notes form part of these statements.

Queensland Treasury
Controlled Statement of Cash Flows
for the year ended 30 June 2026

	Notes	Consolidated Entity		Parent Entity			
		2026	2025	2026	2026	2026	2025
		Actual	Actual	Actual	Original budget	Budget variance	Actual
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities							
Inflows							
Appropriation receipts		446,084	626,080	446,084	882,846	(436,762)	626,080
Surety receipts - Financial Provisioning Scheme		..	5,225	..	..	..	5,225
User charges and fees		96,876	105,072	96,817	99,217	(2,400)	105,015
Grants and other contribution		9,216	4,792	9,216	9,216	..	4,792
GST input tax credits from Australian Taxation Office (ATO)		24,981	29,313	24,215	..	24,215	28,566
GST collected from customers		2,674	1,969	2,674	..	2,674	1,969
Interest received		64,449	55,771	55,088	40,800	14,288	45,116
Other		8,967	10,979	8,966	7,464	1,502	10,979
Outflows							
Employee expenses		(271,583)	(289,681)	(271,583)	(286,936)	15,353	(242,001)
Supplies and services		(204,071)	(377,549)	(204,256)	(330,996)	126,740	(171,951)
Grants and subsidies		(116,429)	(138,491)	(114,849)	(308,874)	194,025	(138,491)
GST remitted to ATO		(2,954)	(3,218)	(2,186)	..	(2,186)	(2,143)
GST paid to suppliers		(25,027)	(21,237)	(25,027)	..	(25,027)	(21,237)
Surety payments - Financial Provisioning Scheme		(46,155)	..	(46,155)	..	(46,155)	..
Interest paid		(4,584)	(10,687)	..	..	..	..
Income tax paid		(610)	(820)	..	..	..	..
Other		(13,014)	(14,656)	(13,014)	(18,017)	5,003	(14,660)
Net cash provided by/(used in) operating activities		(31,180)	(17,138)	(34,010)	94,720	(128,730)	237,259
Cash flows from investing activities							
Inflows							
Payments received from finance lease receivable		10,203	10,124	8,318	8,318	..	8,318
Proceeds from investments		9,500	9,000	..	..	..	..
Outflows							
Payments for investments		(238,555)	(198,945)	(238,555)	(97,000)	(141,555)	(198,945)
Payments for property, plant and equipment		(634)	(70,826)	(634)	..	(634)	(6,212)
Payments for intangibles		(2,011)	(657)	(2,011)	(16,070)	14,059	(657)
Payments for other non-current assets		..	(304)	..	..	..	(304)
Net cash used in investing activities		(221,497)	(251,608)	(232,882)	(104,752)	(128,130)	(197,800)
Cash flows from financing activities							
Inflows							
Proceeds from borrowings		..	291,613	..	..	..	..
Equity injections		256,084	137,700	256,084	16,000	240,084	137,700
Outflows							
Payments for lease liabilities		..	(2,262)	..	..	..	..
Repayment of borrowings		(1,885)	(1,806)	..	..	..	..
Equity withdrawals		(180,872)	(16,128)	(180,872)	(8,629)	(172,243)	(16,128)
Net cash provided by financing activities		73,327	409,117	75,212	7,371	67,841	121,572
Net increase/(decrease) in cash and cash equivalents		(179,350)	140,371	(191,680)	(2,661)	(189,019)	161,031
Increase in cash and cash equivalents from restructuring		..	67,211	..	..	..	67,211
Decrease in cash and cash equivalents from derecognition of controlled entity		..	(23,519)	..	..	..	..
Cash and cash equivalents at beginning of financial year		652,292	468,229	548,070	324,062	224,008	319,828
Cash and cash equivalents at end of financial year	10	472,942	652,292	356,390	321,401	34,989	548,070

The accompanying notes form part of these statements.

Queensland Treasury
Controlled Reconciliation of Operating Result to Net Cash provided by Operating Activities
for the year ended 30 June 2026

	Consolidated Entity		Parent Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Total operating result	132,144	48,314	138,725	119,830
<i>Non-cash items included in operating result and other adjustments:</i>				
Losses on assets	..	18,953	..	..
Depreciation/amortisation expense	1,082	3,660	1,082	626
(Gains)/losses on investments	(46,152)	2,936	(46,152)	2,936
Interest - loans and receivables	(1,365)	(2,136)	(1,065)	(1,283)
(Gain)/loss on licence fee receivable	14,138	(14,682)	..	..
Amortisation of unearned income	..	(220)	..	..
Change in assets and liabilities:				
(Increase)/decrease in receivables	(71,079)	51,987	(71,079)	49,523
(Increase)/decrease in other assets	(1,703)	(724)	(1,591)	(2,543)
(Increase)/decrease in deferred tax assets	(4,237)	6,779	..	..
Increase/(decrease) in payables	(103,450)	151,955	(103,440)	181,232
Increase/(decrease) in accrued employee benefits	1,504	1,138	1,504	2,459
Increase/(decrease) in tax provision/deferred tax liability	(68)	(2,005)	..	..
Non-cash adjustment - equity receivable and payable	47,782	(57,859)	47,782	(57,859)
Non-cash adjustment - investments	..	10,000	..	10,000
Finance lease receivable adjustment	224	218	224	218
Adjustment due to machinery-of-government changes and derecognition	..	(235,452)	..	(67,880)
Net cash provided by/(used in) operating activities	(31,180)	(17,138)	(34,010)	237,259

Queensland Treasury
Controlled Reconciliation of Changes in Liabilities Arising from Financing Activities
for the year ended 30 June 2026

Consolidated Entity*

		Opening balance 2026	Interest	Cash received	Cash repayments	Closing balance 2026
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000
Current/non-current liabilities						
Interest bearing liabilities	14	96,191	..	..	(1,885)	94,306
		96,191	..	..	(1,885)	94,306

*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 2025

Consolidated Entity*

		Opening balance 2025	Interest	Cash received	Cash repayments	Closing balance 2025
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000
Current/non-current liabilities						
Interest bearing liabilities	14	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.

Queensland Treasury
Controlled Statement of Comprehensive Income by Major Departmental Services
for the year ended 30 June 2026

	Economics and Statistical Services		Fiscal		Agency Performance		Commercial and Investment		Energy and Climate**		Revenue Management		General – not attributed***		Inter-service/activity eliminations		Queensland Treasury	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income from operations *																		
Revenue																		
Appropriation revenue	23,770	28,310	26,742	23,148	13,056	10,867	44,470	120,394	118,237	90,277	265,655	247,141	3,371	2,244	..	..	495,301	522,381
User charges and fees	5,998	5,211	104,242	96,364	562	389	2,109	2,199	1,547	3	10,430	9,135	565	319	(15,888)	(13,300)	109,565	100,320
Interest revenue	..	..	55,249	44,684	..	..	1,065	1,283	..	..	..	..	..	..	..	..	56,314	45,967
Grants and contributions	..	..	..	..	..	..	..	..	9,216	4,792	..	..	..	..	..	..	9,216	4,792
Other revenue	87	280	1,111	900	6	82	5,685	2,109	1,255	4,524	816	3,016	6	66	..	..	8,966	10,977
Total revenue	29,855	33,801	187,344	165,096	13,624	11,338	53,329	125,985	130,255	99,596	276,901	259,292	3,942	2,629	(15,888)	(13,300)	679,362	684,437
Gain on fair value movement of other financial assets	..	..	4,529	..	..	..	41,623	..	..	..	..	..	..	..	..	..	46,152	..
Total income from operations	29,855	33,801	191,873	165,096	13,624	11,338	94,952	125,985	130,255	99,596	276,901	259,292	3,942	2,629	(15,888)	(13,300)	725,514	684,437
Expenses from operations *																		
Employee expenses	22,000	23,572	14,492	14,034	11,390	9,501	21,949	22,294	38,365	23,421	163,255	147,929	1,852	1,190	..	..	273,303	241,931
Supplies and services	7,653	9,882	27,323	24,368	2,112	1,683	32,169	20,573	18,627	17,679	108,877	105,233	1,968	1,313	(15,888)	(13,300)	182,841	167,431
Grants and subsidies	46	175	2,756	1,441	28	78	40,607	76,804	72,725	58,390	446	1,588	28	64	..	..	116,636	138,540
Losses on assets	..	..	..	(3,223)	..	..	..	6,159	..	..	..	..	..	..	..	..	..	2,936
Depreciation and amortisation	23	13	308	332	14	5	23	10	79	16	621	246	14	4	..	..	1,082	626
Interest expense	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Other expenses	133	159	8,269	8,314	80	71	204	155	459	90	3,702	4,296	80	58	..	..	12,927	13,143
Total expenses from operations	29,855	33,801	53,148	45,266	13,624	11,338	94,952	125,985	130,255	99,596	276,901	259,292	3,942	2,629	(15,888)	(13,300)	586,789	564,607
Operating result for the year	..	..	138,725	119,830	..	..	..	..	..	..	..	..	..	..	..	..	138,725	119,830
Other comprehensive income items that will not be reclassified to operating result																		
Decrease in revaluation surplus	..	..	..	..	..	..	..	(2,500)	..	..	..	..	..	..	..	..	..	(2,500)
Total other comprehensive income	..	..	..	..	..	..	..	(2,500)	..	..	..	..	..	..	..	..	..	..
Total comprehensive income	..	..	138,725	119,830	..	..	..	(2,500)	..	..	..	..	..	..	..	..	138,725	117,330

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

Income	3,810	4,200	2,488	2,295	2,279	1,603	3,705	3,246	6,627	4,368	36,976	32,627	2,298	1,311	..	..	58,183	49,650
Expenses	3,810	4,200	2,488	2,295	2,279	1,603	3,705	3,246	6,627	4,368	36,976	32,627	2,298	1,311	..	..	58,183	49,650

**2025 amounts represent income and expenses from 1 November 2024 to 30 June 2025 resulting from the machinery-of-government changes effective 1 November 2024.

***Includes corporate support allocated to Motor Accident Insurance Commission, Nominal Defendant and 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
as at 30 June 2026**

	Economics and Statistical Services		Fiscal		Agency Performance		Commercial and Investment		Energy and Climate**		Revenue Management		General – not attributed*		Queensland Treasury	
	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Current assets																
Cash and cash equivalents	(1,345)	(1,071)	297,161	351,459	888	1,457	13,959	39,047	25,338	81,698	9,796	17,480	10,593	58,012	356,390	548,070
Receivables	2,091	1,905	21,699	11,071	68	93	77,684	25,292	932	43,843	4,935	3,327	3,339	(45,862)	110,748	39,669
Other financial assets	..	..	..	..	..	..	1,757	..	..	..	..	..	..	..	1,757	..
Other assets	298	219	180	154	..	..	..	..	..	..	10,537	10,009	4,296	3,635	15,311	14,017
Total current assets	1,044	1,053	319,040	362,684	956	1,550	93,400	64,339	26,270	125,529	25,268	30,816	18,228	15,785	484,206	601,756
Non-current assets																
Receivables	..	..	..	..	..	..	23,513	30,989	..	..	..	..	..	..	23,513	30,989
Other financial assets	..	..	489,152	346,068	..	..	627,607	487,741	..	..	..	..	..	..	1,116,759	833,809
Property, plant and equipment	..	..	..	..	..	..	..	162,500	330	272	193	331	493	..	1,016	163,103
Intangibles	..	..	1,099	1,392	..	..	..	..	..	..	1,305	..	1,198	1,061	3,602	2,453
Other non-current assets	31	..	..	..	..	..	..	..	..	..	74	93	1,156	871	1,261	964
Total non-current assets	31	..	490,251	347,460	..	..	651,120	681,230	330	272	1,572	424	2,847	1,932	1,146,151	1,031,318
Total assets	1,075	1,053	809,291	710,144	956	1,550	744,520	745,569	26,600	125,801	26,840	31,240	21,075	17,717	1,630,357	1,633,074
Current liabilities																
Payables	366	316	265,043	304,698	562	1,285	81,132	41,286	25,388	124,791	22,556	27,701	16,544	14,954	411,591	515,031
Accrued employee benefits	662	692	471	394	394	265	711	625	1,210	1,010	4,905	4,104	1,656	1,415	10,009	8,505
Total current liabilities	1,028	1,008	265,514	305,092	956	1,550	81,843	41,911	26,598	125,801	27,461	31,805	18,200	16,369	421,600	523,536
Total liabilities	1,028	1,008	265,514	305,092	956	1,550	81,843	41,911	26,598	125,801	27,461	31,805	18,200	16,369	421,600	523,536
Net assets	47	45	543,777	405,052	..	..	662,677	703,658	2	..	(621)	(565)	2,875	1,348	1,208,757	1,109,538

Treasury 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 2025 result from the machinery-of-government changes effective 1 November 2024.

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 these general purpose financial statements are prepared on an accrual basis (except for the statement of cash flows which is prepared on a cash basis) 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 2025. Except when stated, the historical cost convention is used.

(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, comprises the parent entity and its controlled entities, Queensland Treasury Holdings Pty Ltd (QTH) and Queensland Hydro (up to 11 June 2025). The financial statements are prepared in accordance with Australian Accounting Standards on a consolidated basis, with all transactions and balances between Treasury and its controlled entities eliminated. Details of Treasury's controlled entities are disclosed in note 16. For the purposes of these financial statements, "QTH" includes QTH and its controlled entities.

(c) Controlled and Administered transactions and balances

Treasury controls those transactions and balances that it can use to achieve its departmental objectives.

Treasury also administers certain resources on behalf of the Queensland Government, such as loans, borrowings, and cash arrangements, grants, taxes, royalties, fines and investments in the Queensland Future Fund. While Treasury is responsible for managing these transactions and balances, it does not control these resources and cannot use them for Treasury's objectives.

Administered transactions and balances are not recognised as Treasury's income, expenses, assets, liabilities or equity. Instead, they are presented separately in the administered financial statements and related notes.

Unless stated otherwise, the same accounting policies used for controlled items are applied 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 is 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 that would be payable under the *Federal Income Tax laws*.

(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 amounts reflect the audited 2024–25 financial statements and, where applicable, have been adjusted to ensure consistency with the presentation adopted in 2025–26.

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 12 months after the reporting date. All other assets and liabilities are classified as non-current.

1 Basis of financial statements preparation (continued)

(f) Authorisation 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 11 and 31 (allowance for impairment)
- notes 12 and note 18 (g) (fair value of controlled other financial assets and financial instruments)
- notes 15 and 34 (contingencies)
- notes 32 and 35 (e) (fair value of 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) New and changed accounting standards, policies and estimates

First year application of new accounting standards

No new accounting standards or interpretations that apply to Treasury and its controlled entities for the first time in 2025–26 had any material impact on the financial statements. No Australian Accounting Standards have been early adopted for 2025–26.

Future impact of new accounting standards not yet effective

AASB 17 Insurance Contracts

AASB 17 applies to entities with insurance and re-insurance contracts and effective for public sector entities in 2026–27. The Queensland Government Insurance Fund (QGIF) claim payments are reported in Treasury's administered book while the insurance liabilities are reported at the whole-of-government level under AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*. Preliminary assessment indicates that Treasury has the option to apply AASB 137 instead of AASB 17 as per AASB 2022-9 *Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector*. Treasury will finalise its assessment of the impact of AASB 17 for financial reporting purposes in 2026–27.

AASB 18 Presentation and Disclosure in Financial Statements

AASB 18 applies to Treasury from 2028–29 reporting period and introduces new requirements for the presentation of the Statement of Comprehensive Income, new disclosures on management-defined performance measures and removes existing options in the classification of dividends, interest received and interest paid in the Statement of Cash Flows. AASB 18 will only affect presentation and disclosure, it will not affect the recognition or measurement of any reported amounts. Treasury will further assess the expected impact of AASB 18 in subsequent reporting periods.

Change in Accounting Estimate

In the 2025–26 financial year, Treasury undertook a review of the expected credit loss methodology applied to fines and penalty debt receivables. This review was conducted in accordance with the requirements set out in AASB 9 *Financial Instruments*. The purpose of the review was to reassess the assumptions previously used and evaluate their relevance for the current reporting period.

As a result of this review, Treasury determined that changes were required in both the categorisation of debt types and the debt finalisation rate used in computing the expected credit loss. These adjustments are considered a change in accounting estimate and will be applied prospectively from the reporting period ending 30 June 2026 (refer to note 31).

2 Objectives and major activities of the department

Treasury's vision is a financially strong government delivering a strong economy with affordable, reliable and sustainable energy for all Queenslanders, which is guided by a purpose of delivering government priorities through expert economic, fiscal, clean energy, and revenue advice and services.

Treasury's strategic objectives include:

- grow the Queensland economy and stimulate jobs
- drive Queensland's pathway to affordable, reliable and sustainable outcomes for Queensland households and businesses
- 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 Treasury 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 refer to note 16) – 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 10 and FP Fund investments are reported in note 12.

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

- Cash surety is reported as cash asset (note 10) with a corresponding payable to the holders (note 13), as the Fund obtains the interest benefit from the cash surety held.

2 Objectives and major activities of the department (continued)

(b) Financial Provisioning Scheme (continued)

- 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 (DNRMMRRD) as grant expenses.
- Non-cash surety is disclosed in the contingencies note (note 15). 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 contingencies note (note 15).

In June 2026, a targeted review of the Scheme was approved to be led by DNRMMRRD. The purpose of the review is to examine the current policy settings and consider whether amendments are needed to ensure the Scheme continues to strike the right balance for industry, the environment and the community. At the conclusion of the review, the administration of the Scheme will transfer to DNRMMRRD.

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

In 2024–25, machinery-of-government changes resulted in the transfer-in of Energy and Climate functions from the former Department of Energy and Climate effective 1 November 2024 and transfer out of Major Projects Development Team to the Department of State Development, Infrastructure and Planning effective 1 December 2024. Details of the nature and financial impact of the changes were included in Treasury's 2024–25 financial statements.

(d) Transfer of South Brisbane property (Property, plant and equipment)

On 1 December 2025, Treasury transferred the land asset in South Brisbane with a carrying amount of \$162.5 million (2025: \$162.5 million) to Economic Development Queensland as part of the State's Land Acquisition Program. The transfer was effected with a designation of transfer through equity signed by the relevant Ministers in accordance with the Financial Reporting Requirements. The asset was derecognised as at that date from the Statement of Financial Position with a corresponding reduction in contributed equity. The remaining revaluation surplus of \$85.5 million was transferred to accumulated surplus upon transfer of the asset.

(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.treasury.qld.gov.au/policies-and-programs/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 2025–26. 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 Queensland 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 2026 but will continuously monitor the emergence of such risks.

3 Reconciliation of payments from Consolidated Fund to appropriated revenue recognised in the Statement of Comprehensive Income

	Consolidated Entity		Parent Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Original budgeted appropriation	882,846	537,520	882,846	537,520
Supplementary amounts:				
Transfer (to)/from other departments – redistribution of public business	..	14,068	..	14,068
Transfer (to)/from other headings (variation in headings)	(227,841)	..	(227,841)	..
Lapsed appropriation	(208,921)	..	(208,921)	..
Unforeseen expenditure	..	74,492	..	74,492
Total appropriation received (cash)	446,084	626,080	446,084	626,080
Plus: opening balance of deferred appropriation payable to Consolidated Fund	204,747	31,894	204,747	31,894
Less: closing balance of deferred appropriation payable to Consolidated Fund	(155,530)	(204,747)	(155,530)	(204,747)
Plus: deferred appropriation payable MoG transfer in	..	69,154	..	69,154
Appropriation revenue recognised in Statement of Comprehensive Income	495,301	522,381	495,301	522,381
Variance between original budgeted and actual appropriation revenue	387,545	15,139	387,545	15,139
Reconciliation of payments from Consolidated Fund to appropriated equity adjustments recognised in contributed equity				
Original budgeted equity adjustment appropriation	7,371	135,807	7,371	135,807
Supplementary amounts:				
Transfer (to)/from other departments – redistribution of public business	..	(34,470)	..	(34,470)
Transfer (to)/from other headings (variation in headings)	227,841	..	227,841	..
Unforeseen expenditure	..	20,235	..	20,235
Total equity adjustment payments	235,212	121,572	235,212	121,572
Less: opening balance of equity adjustment receivable	(6,084)	(59,255)	(6,084)	(59,255)
Plus: closing balance of equity adjustment receivable	43,434	6,084	43,434	6,084
Plus: opening balance of equity adjustment payable	12,243	7,553	12,243	7,553
Less: closing balance of equity adjustment payable	(1,811)	(12,242)	(1,811)	(12,242)
Plus: equity withdrawal payable (debit) transfer in	..	(54)	..	(54)
Appropriated equity adjustment recognised in contributed equity	282,994	63,658	282,994	63,658
Variance between original budgeted and actual equity adjustment appropriation	(275,623)	72,149	(275,623)	72,149

Accounting policy – Appropriation revenue

Appropriations provided under the *Appropriation Act 2025* are recognised as revenue when received under AASB 1058 *Income of Not-for-Profit Entities*. When approved, a deferred appropriation payable is recognised and appropriation revenue reduced to reflect the net appropriation position in the Consolidated Fund for the reporting period.

4 User charges and fees

	Consolidated Entity		Parent Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Financial Provisioning Scheme Fund contributions	94,435	85,751	94,435	85,751
Sale of services from contracts with customers	13,016	11,953	13,016	11,953
Assessment fees	2,105	2,604	2,105	2,604
Other fees	9	12	9	12
	109,565	100,320	109,565	100,320

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

	Consolidated Entity		Parent Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Interest – Financial Provisioning Scheme	55,249	44,684	55,249	44,684
Interest – lease receivables*	5,649	5,949	1,065	1,283
Interest – Queensland Treasury Corporation (QTC)	4,843	4,820	..	..
Interest – loans **	300	853	..	..
Interest – others	..	914	..	..
	66,041	57,220	56,314	45,967

*Relates to interest recognised on lease receivable from Dalrymple Bay Coal Terminal Holdings (DBCTH) Pty Ltd and finance lease receivable (refer to note 11).

**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 11).

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.

6 Employee expenses

	Consolidated Entity		Parent Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Wages and salaries*	208,932	218,255	208,932	184,631
Annual leave levy	26,844	25,629	26,844	22,894
Employer superannuation contributions – accumulation schemes	26,982	27,565	26,982	23,378
Employer superannuation contributions – defined benefit scheme	2,885	2,948	2,885	2,948
Long service leave levy	5,975	5,506	5,975	5,270
Leave on-cost reimbursements	(3,121)	(2,497)	(3,121)	(2,497)
Other employee related expenses	3,286	11,097	3,286	3,784
Termination payments	1,382	1,397	1,382	1,397
Workers' compensation premium	138	688	138	126
	273,303	290,588	273,303	241,931

*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:	1,865	1,821	1,865	1,821
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Accounting policy – Employee expenses

Wages and salaries

Wages and salaries 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.

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*.

6 Employee expenses (continued)

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 Treasury's key management personnel (KMP). 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 Ministers' 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, include:

- 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 car parking and 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.

Queensland Treasury Notes to the Financial Statements 2025–26

6 Employee expenses (continued)

Key management personnel and remuneration

1 July 2025 – 30 June 2026

The positions and responsibilities reflect the organisational restructure effective 1 August 2025, and certain positions prior to this are not reported as only a period of 1 month related to 2025–26.

Position	Responsibilities	Dates acted in the position	Short term employee expenses		Long term employee expenses	Post-employment expenses	Termination benefits	Total
			Monetary expenses \$'000	Non-monetary benefits \$'000	\$'000	\$'000	\$'000	\$'000
Under Treasurer	Responsible for executive leadership, strategic direction of Treasury and whole-of-government financial management	24-Feb-25 to current	702	11	17	80	..	810
Associate Under Treasurer	Responsible for strategic policy development, major budget processes and cross-government coordination and partnering	1-Aug-25 to current	402	10	10	46	..	468
Deputy Under Treasurer	Responsible for Social and Intergovernmental	1-Aug-25 to current	294	10	8	34	..	346
Deputy Under Treasurer	Responsible for Industry and Budget	1-Aug-25 to current	320	10	8	35	..	373
Deputy Under Treasurer	Responsible for Fiscal, Economics and Commercial	3-Jan-26 to current	165	5	4	19	..	193
Acting Deputy Under Treasurer *		1-Sep-25 to 2-Jan-26	..	..	..	..	..	..
Deputy Under Treasurer		27-May-22 to 26-Aug-25	21	1	..	2	71	95
Deputy Under Treasurer	Responsible for Energy and Government-Owned Corporations (GOCs)	1-Aug-25 to current	319	10	8	37	..	374
Commissioner of State Revenue and Registrar of SPER	Responsible for the Queensland Revenue Office	25-Aug-23 to current	320	11	9	35	..	375
Deputy Under Treasurer	Responsible for Finance and Investment	24-Jan-26 to current	144	4	3	17	..	168
Acting Deputy Under Treasurer		1-Aug-25 to 23-Jan-26	155	5	4	18	..	182
Deputy Under Treasurer	Responsible for Corporate and Executive Services	1-Aug-25 to current	264	10	7	31	..	312
Total Expenses			3,106	87	78	354	71	3,696

*Services provided from 1-21 September 2025 were received by Treasury at no cost. From 22 September 2025 to 2 January 2026, the related remuneration costs were fully recovered from Queensland Treasury Corporation.

Queensland Treasury

Notes to the Financial Statements 2025–26

6 Employee expenses (continued)

Key management personnel and remuneration

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	Non-monetary benefits \$'000	\$'000	\$'000	\$'000	\$'000
Under Treasurer	Responsible for executive leadership, strategic direction of Treasury and whole-of-government financial management	24-Feb-25 to current	254	4	6	30	..	294
Acing Under Treasurer		4-Nov-24 to 21-Feb-25	221	4	5	25	..	255
Under Treasurer		2-Oct-23 to 1-Nov-24	233	4	5	27	460	729
Deputy Under Treasurer	Responsible for Economics and Fiscal (2025–26 part of Fiscal, Economics and Commercial)	27-May-22 to 26-Aug-25	305	12	8	35	..	360
Head, Strategic Policy	Responsible for Strategic Policy (2025–26 split between Corporate & Executive Services, Social and Intergovernmental, Fiscal, Economics and Commercial and Industry and Budget)	1-Dec-21 to 31-Jul-25	283	12	7	33	..	335
Deputy Under Treasurer	Responsible for Social, Intergovernmental and Corporate (2025–26 split between Social and Intergovernmental and Corporate and Executive Services)	5-Feb-24 to 31-Jul-25	313	12	8	36	..	369
Deputy Under Treasurer	Responsible for Industry, Investment and Commercial (2025–26 split between Industry and Budget and Fiscal, Economics and Commercial)	14-Apr-25 to 31-Jul-25 13-Feb-23 to 1-Nov-24	159	6	4	20	..	189
Acing Deputy Under Treasurer		4-Nov-24 to 11-Apr-25	135	5	4	15	..	159
Commissioner of State Revenue and Registrar of SPER	Responsible for the Queensland Revenue Office	25-Aug-23 to current	332	11	8	38	..	389
Acing Deputy Under Treasurer	Responsible for Energy and Climate (2025–26 split between Energy and GOCs and Industry and Budget)	1-Nov-24 to 27-Jun-25	187	7	5	24	..	223
Total Expenses			2,422	77	60	283	460	3,302

7 Supplies and services

	Consolidated Entity		Parent Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Contractors and employment agency charges	58,605	244,761	58,605	62,561
Computer charges	40,280	41,875	40,280	38,932
Property charges and fees	29,790	40,537	29,790	28,889
Claims and settlements*	18,000	101	18,000	101
Telecommunications, advertising and other materials and equipment	17,376	18,399	17,376	16,631
Professional legal fees, service fees and charges	14,919	15,001	14,919	14,598
Consultants	2,974	4,894	2,974	4,894
Other supplies and services	897	4,502	897	825
	182,841	370,070	182,841	167,431

*2025–26 amount relates to one-off settlement payment associated with the transition of a strategic project to the State.

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.

8 Grants and subsidies

	Consolidated Entity		Parent Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Private and not-for-profit entities	77,421	117,595	77,421	117,595
Government entities	39,215	20,945	39,215	20,945
	116,636	138,540	116,636	138,540

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 Low Emissions Investment Partnerships program (\$19 million), Backing Business in the Bush Fund (\$14.206 million) and Supercharged Solar for Renters Program (\$8.75 million).

Grants to Government entities relate to grant payments mainly to the Department of State Development, Infrastructure and Planning for the Regional Economic Future Fund (\$15.67 million), Department of Housing and Public Works for Social Housing Energy Performance Initiative (\$5.25 million), contributions under the Australian Energy Market Agreement (\$9.339 million) and grants paid to the DNRMMRRD for remediation of abandoned mines (\$2.642 million).

9 Other expenses

	Consolidated Entity		Parent Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Financial Assurance Reform return of funds to Consolidated Fund	7,893	7,893	7,893	7,893
Bank charges	2,418	2,831	2,418	2,831
Internal audit fees	1,137	828	1,137	828
External audit fees*	986	1,284	932	1,052
Qld Government Insurance Fund – insurance premiums	206	55	206	55
Special payments**	..	221	..	..
Sundry expenses	1,629	1,812	341	484
	14,269	14,924	12,927	13,143

*Total departmental audit fee quoted by the Queensland Audit Office relating to the 2025–26 financial statements for the parent entity is \$636,600 (2025: \$667,105), which excludes the whole-of-government financial statement audit costs. The whole-of-government audit fee for 2025–26 is \$265,000 (2025: \$284,130). In 2025–26, Treasury paid audit fee expenses of \$46,072 for the former Department of Energy and Climate's 2024–25 audit activities, with \$21,193 recovered from the Department of Housing and Public Works and the Department of Customer Services, Open Data and Small and Family Business. The 2024–25 audit fee amount includes audit fee expenses of \$79,917 passed on by the former Department of Energy and Climate relating to the Energy and Climate functions transferred into Treasury.

**Special payments include ex-gratia payments made to Queensland Hydro's employees as part of the Deed of Separation in 2024–25.

10 Cash and cash equivalents

	Consolidated Entity		Parent Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Cash at bank – Surety	235,660	281,815	235,660	281,815
Cash at bank – other controlled accounts	93,472	216,140	93,467	216,132
QTC Cash Fund	137,288	136,153	20,741	31,939
Cash at bank – Fund	6,522	18,184	6,522	18,184
	472,942	652,292	356,390	548,070

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.

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.

11 Receivables

	Consolidated Entity		Parent Entity	
	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Current				
Trade debtors	29,415	16,481	29,415	16,481
Equity injection receivable	43,434	6,084	43,434	6,084
Other advances	20,195	..	20,195	..
Finance lease receivable	7,477	7,253	7,477	7,253
Annual leave and long service leave reimbursements	5,102	5,306	5,102	5,306
Lease receivable	1,979	1,886	..	..
Loan receivable	..	9,201	..	..
Sundry receivables	5,125	4,545	5,125	4,545
Total current	112,727	50,756	110,748	39,669
Non-current				
Lease receivable	92,327	94,305	..	..
Finance lease receivable	23,513	30,989	23,513	30,989
Total non-current	115,840	125,294	23,513	30,989

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. This also includes receivables related to regulatory obligation to pay a contribution or assessment fee under the Financial Provisioning Scheme.

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 (25 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*.

Other advances comprise funds advanced to third parties for the delivery of services as agents of Treasury. The advance is recognised as an expense when the related services are performed and the funds are expended. Any unused balance is returned to Treasury. For 2025–26, other advances relate mainly to advanced funds to a Queensland Government department to administer grants on behalf of Treasury.

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.

11 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.

	2026 \$'000	2025 \$'000
Less than 1 year	8,318	8,318
1 to 5 years	24,618	32,936
Total	32,936	41,254

12 Other financial assets

	Consolidated Entity		Parent Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Current				
Investment in QIC Cash Fund - Repluca*	1,757	..	1,757	..
	1,757	..	1,757	..
Non-current				
Backing Queensland Business Investment Fund	625,487	481,597	625,487	481,597
FP Fund – Long Term Diversified Fund (LTDF)	489,152	346,068	489,152	346,068
Licence fee receivable**	83,009	97,146	..	..
Business Development Fund (BDF)	2,120	4,454	2,120	4,454
Investment in QIC Cash Fund - Repluca*	..	1,690	..	1,690
	1,199,768	930,955	1,116,759	833,809

*The \$2.5 million investment in Repluca was fully unrecoverable from June 2024 and was written down to nil value. As at 30 June 2026, the remaining \$1.757 million held in the QIC Cash Fund is expected to be returned to Treasury in 2026-27 as the conditions for further investment were not met, resulting in its reclassification as a current asset.

**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 11.94% (2025: 11.61%). 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*.

A net gain of \$46.152 million as at 30 June 2026 (2025: net loss of \$2.936 million) on fair value movement of investments with QIC Limited is recognised in the Statement of Comprehensive Income.

Backing Queensland Business Investment Fund

The Backing Queensland Business Investment Fund (BQBIF) supports jobs growth and increased access to capital for businesses in Queensland.

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

- 1) Business Investment Fund (BIF) – promote increased access to growth-stage capital.
- 2) Enterprise Acceleration Fund (EAF) – promote jobs growth, increase access to early stage capital.
- 3) Queensland Venture Capital Development Fund (QVCDF) – to build depth in venture capital market through a matched funding program for venture capital funds.
- 4) Queensland Critical Minerals Fund (QCMF) – to support businesses across the critical mineral supply chain in Queensland. In 2025–26, additional contribution of \$100 million was provided to grow early-stage investment in Queensland's critical minerals industry, boost economic and regional development, and enhance global supply chain participation. The Stream B of the Queensland Critical Minerals and Battery Technology Fund (QCMETF) was renamed to QCMF.
- 5) Queensland Battery Acceleration Trust (QBAT) – to provide financial support for flow battery proponents.

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.

12 Other financial assets (continued)

The fair value and gross value of the sub-funds under the BQBIF are detailed below:

	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
	Fair Value		Gross Value**	
BIF	182,500	148,180	150,000	150,000
EAF	40,681	39,439	39,377	37,652
QVCDF	123,771	124,972	130,000	130,000
QCMF	265,126	156,643	250,000	150,000
QBAT	12,975	12,159	15,000	15,000
BQBIF - overall fund*	434	204	..	..
	625,487	481,597	584,377	482,652

*The remaining funds are retained at the total BQBIF fund level.

**Gross value represents the investment contributions made by Treasury to each sub-fund.

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 loss of \$14.138 million (2025: gain of \$14.682 million) on fair value movement was recognised for the license fee receivable as at 30 June 2026 recognised in the Statement of Comprehensive Income - Losses on assets under the Consolidated Entity.

13 Payables

	Consolidated Entity		Parent Entity	
	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Current				
Cash surety payable	235,660	281,815	235,660	281,815
Deferred appropriation payable to Consolidated Fund	155,530	204,747	155,530	204,747
Trade creditors	15,850	15,743	15,850	15,743
Equity withdrawal payable	1,811	12,243	1,811	12,243
Other payables	3,128	949	2,740	483
	411,979	515,497	411,591	515,031

13 Payables (continued)

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.

14 Interest bearing liabilities

	Consolidated Entity		Parent Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Current loans with QTC				
Long-term lease loan**	1,979	1,886	..	..
	1,979	1,886	..	..
Non-current loans with QTC				
Long-term lease loan**	92,327	94,305	..	..
	92,327	94,305	..	..

**The Dalrymple Bay Coal Terminal long-term Lease Loan of QTH from QTC, a related party, is for a period of 50 years (25 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.

15 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 2026 is:

- Bank guarantees \$5,595.321 million (2025: \$5,945.462 million)
- Insurance bonds \$2,152.795 million (2025: \$1,475.312 million)

As at 30 June 2026, notices to provide surety have been issued to environmental authority holders for an aggregate value of \$120.791 million (2025: \$206.085 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 2026 is \$38.995 million (2025: \$52.369 million).

Other bank guarantees and bonds held as at 30 June 2026 amounts to \$98.160 million (2025: \$97.56 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.

15 Contingencies (continued)

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.

16 Controlled entities

The following entity is 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	
			2026	2025	2026	2025	2026	2025	2026	2025
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	305,811	314,355	94,694	96,657	9,787	25,315	(6,581)	14,399

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

On 11 June 2025, Treasury transferred oversight of Queensland Hydro to QIC under an Investment Development Management Agreement, and the Trust Deed between the State and Treasury was terminated. As a result, Treasury ceased to control Queensland Hydro and it was derecognised as a controlled entity in accordance with AASB 10 *Consolidated Financial Statements*.

Treasury's consolidated financial statements include Queensland Hydro's income and expenses from 1 July 2024 to 11 June 2025, being the date control was lost. Queensland Hydro's assets and liabilities were derecognised from the consolidated statement of financial position as at 30 June 2025. A gain of \$193.6 million arising from the loss of control was recognised in the consolidated statement of comprehensive income. The gain represents Queensland Hydro's negative net equity at the date control was lost as follows:

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

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

17 Events occurring after balance date

On 27 July 2026, Treasury established an investment facility with QTC with a limit of \$1 billion. The investment facility provides for QTC to enter into loan, derivative and guarantee facilities with non-government entities and Treasury to hold the investment risk exposure for the facilities provided to the non-government entities. To fund the investment, Treasury also established a variable rate loan with QTC with a limit of \$1 billion. On 3 August 2026, under the investment facility, an initial drawdown was made.

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.

18 Financial instruments

(a) Accounting policy

Recognition

Financial assets and financial liabilities are recognised in the Statement 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 11 and 31)
2. Financial assets – held at fair value through profit and loss (notes 12 and 32)
 - Licence fee receivable
 - Other financial assets
 - Investment in BQBIF
 - Investment in BDF
 - Investment in QIC Cash Fund - Repluca
 - Investment in the FP Fund – LTDF
 - Investment in the Queensland Future Fund*
3. Financial liabilities – held at amortised cost
 - Payables (note 13)
 - Interest bearing liabilities – Commonwealth borrowings, QTC borrowings and advances payable to Government-Owned Corporation (GOCs), QTH long-term lease loan (notes 14 and 33).

Disclosures on the administered financial instruments are included in note 35.

*Investment in the Queensland Future Fund is included as part of “Other Financial Assets” category in note 35(a).

(b) Categorisation of financial instruments

Category	Note	Consolidated Entity	
		2026 \$'000	2025 \$'000
Financial assets			
Cash and cash equivalents	10	472,942	652,292
Receivables	11	228,567	176,050
Other financial assets	12		
Investment in QIC Cash Fund - Repluca		1,757	1,690
Investment in BQBIF		625,487	481,597
Investment in FP – LTDF		489,152	346,068
Licence fee receivable		83,009	97,146
Investment in BDF		2,120	4,454
Total		1,903,034	1,759,297
Financial liabilities			
Payables	13	411,976	515,427
Interest bearing liabilities	14	94,306	96,191
Total		506,282	611,618

18 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 Queensland 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	2026 payable in			Total undiscounted cash flow \$'000	Carrying amount \$'000
		< 1 year	1 - 5 years	> 5 years		
		\$'000	\$'000	\$'000		
Financial liabilities						
Payables	13	411,976	..	..	411,976	411,976
Interest bearing liabilities	14	6,471	25,882	130,758	163,111	94,306
Total		418,447	25,882	130,758	575,087	506,282
Consolidated	Note	2025 payable in			Total undiscounted cash flow \$'000	Carrying amount \$'000
		< 1 year	1 - 5 years	> 5 years		
		\$'000	\$'000	\$'000		
Financial liabilities						
Payables	13	515,427	..	..	515,427	515,427
Interest bearing liabilities	14	6,471	25,882	137,227	169,580	96,191
Total		521,898	25,882	137,227	685,007	611,618

(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 10).

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 12).

Credit risk exposure of Treasury and its controlled entities from other receivables is disclosed in note 11.

(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.

18 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
- investments still held in the QIC Limited Cash Fund for BQBIF, BDF 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 2026 (2025: +/- 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	2026 Interest rate risk*			
		-1.00%		1.00%	
		Profit	Equity	Profit	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash	379,475	(3,795)	(3,795)	3,795	3,795
Finance lease receivable	30,989	(310)	(310)	310	310
Investment in QIC Cash Fund - Repluca	1,757	(18)	(18)	18	18
Investment in BQBIF	298,146	(2,981)	(2,981)	2,981	2,981
Investment in FP – LTDF	217,672	(2,177)	(2,177)	2,177	2,177
Investment in BDF**	768	(8)	(8)	8	8
Potential impact		(9,288)	(9,288)	9,288	9,288

*excludes fixed rate or non-interest bearing assets

**only includes remaining assets in the fund

Consolidated Financial instruments	Carrying amount	2025 Interest rate risk*			
		-1.00%		1.00%	
		Profit	Equity	Profit	Equity
	\$'000	\$'000	\$'000	\$'000	\$'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

18 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% (2025: +/- 10%).

		2026 Equities risk			
Financial instruments	Carrying amount	-10%		10%	
		Profit	Equity	Profit	Equity
		\$'000	\$'000	\$'000	\$'000
Investment in BQBIF	327,342	(32,734)	(32,734)	32,734	32,734
Investment in FP – LTDF	271,479	(27,148)	(27,148)	27,148	27,148
Investment in BDF	1,352	(135)	(135)	135	135
Potential impact		(60,017)	(60,017)	60,017	60,017

		2025 Equities risk			
Financial instruments	Carrying amount	-10%		10%	
		Profit	Equity	Profit	Equity
		\$'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

(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 2026.

18 Financial instruments (continued)

(g) Fair value (continued)

According to the above hierarchy, the fair values of each class of asset recognised at fair value are as follows:

Class	Classification according to fair value hierarchy			2026 Carrying amount
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets				
Cash and cash equivalents	335,653	137,288	..	472,942
Licence fee receivable	..	..	83,009	83,009
Investment in BQBIF	..	625,487	..	625,487
Investment in FP – LTDF	..	489,152	..	489,152
Investment in BDF	..	2,120	..	2,120
Investment in QIC Cash Fund - Repluca	..	1,757	..	1,757
Total	335,653	1,255,805	83,009	1,674,467
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 QIC Cash Fund - Repluca	..	1,690	..	1,690
Total	516,138	969,962	97,146	1,583,246

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.

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

- Licence fee receivable cash flows are discounted at 11.94% per annum (2025: 11.61%) 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.

18 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:

	2026		2025	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$'000	\$'000	\$'000	\$'000
Financial asset				
Loan receivable*	..	..	9,201	9,360
Total	..	..	9,201	9,360

*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. The loan has been fully paid in December 2025.

19 Budget vs actual comparison

Note – A budget vs actual comparison, and explanations of major variances, have 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.

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:

- Invested in Queensland Program (\$75.635 million)
- Low Emissions Investment Partnerships program (\$56.511 million)
- Fine Modernisation Program Phase 2 (\$53.427 million)
- Stream A of QCMBTF (\$20.355 million)
- Social Enterprise and Impact Investing Roadmap (\$18.587 million)
- Townsville North Rail Yards (\$12.197 million)
- Advance Queensland Industry Attraction Fund (\$10.826 million)
- other whole-of-government and departmental priority projects.

Also contributing is the transfer of the Social Housing Energy Performance Initiative and Queensland Community Housing Energy Upgrades to the Department of Housing and Public Works (\$19.7 million) and the cessation of the Community Solar Banks Program (\$10.6 million). These decreases are partially offset by funding realigned from 2024-25 to support the transition of a strategic project to the State (\$18 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 2018* (\$15.549 million).

Note 5 Interest revenue

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

Other revenue

The increase mainly relates to an unbudgeted contract finalisation payment for the Advance Queensland Industry Attraction Fund (\$4.545 million). Also contributing is unbudgeted recoveries from Queensland Government departments and other entities (\$2.807 million).

Note 12 Other financial assets - gain on fair value movement

The increase mainly relates to unbudgeted gain on fair value movements relating to investments, including the BQBIF (\$34.069 million), QCMF (\$8.483 million) and Financial Provisioning Scheme investments in the FTDF (\$4.529 million).

19 Budget vs actual comparison (continued)

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

Note 7 Supplies and services

The decrease is mainly due to revision of timeframes for a number of initiatives including:

- Fine Modernisation Program Phase 2 (\$53.427 million)
- Social Enterprise and Impact Investing Roadmap (\$19.476 million)
- Gympie Road Bypass Tunnel (\$8.558 million)
- Glencore and Rio Tinto (\$7.193 million)
- Queensland Revenue Office's Digital and Data Uplift (\$6.809 million)
- replacement and modernisation of the legacy whole-of-government financial reporting and budget management enterprise systems (\$6.554 million).

This is partially offset by a payment relating to the transition of a strategic project to the State in 2025–26 which was budgeted in 2024–25 (\$18 million).

Note 8 Grants and subsidies

The decrease mainly relates to lower grant payments associated with the Invested in Queensland Program (\$70.442 million) following a review of existing grant programs and revised timeframes. Also contributing is the revision of timeframes for a number of grant programs, including the Low Emissions Investment Partnerships program (\$50.6 million), Townsville North Rail Yards (\$12.2 million) and Stream A of QCMBTF (\$11.872 million). Further contributing factors include the transfer of the Social Housing Energy Performance Initiative and Queensland Community Housing Energy Upgrades to the Department of Housing and Public Works (\$17.25 million) and the cessation of the Community Solar Banks Program (\$10.6 million).

Depreciation and amortisation

The increase mainly relates to the amortisation costs associated with Queensland Revenue Office's online client portal (\$0.261 million) and S/4 HANA Finance system upgrade (\$0.172 million).

Explanation of major variances for Controlled Statement of Financial Position

Note 10 Cash and cash equivalents

The increase primarily relates to increased appropriation payable (\$155.53 million). This is partially offset by lower cash held by the Financial Provisioning Scheme (\$51.455 million), an increase in equity injection receivable (\$43.434 million), and an unbudgeted advance payment to the Department of Local Government, Water and Volunteers relating to the Community Benefits Fund (\$18.887 million).

Note 11 Receivables - current

The increase mainly reflects higher equity injection receivables associated with the fair value adjustments for investments (\$43.434 million), increased operational receivables (\$11.575 million), and an unbudgeted advance payment to the Department of Local Government, Water and Volunteers relating to the Community Benefits Fund (\$18.887 million).

Note 12 Other financial assets - current

This relates to the investment associated with Repluca. Due to the expected unrecoverable investment in Repluca, the remaining cash not provided to Repluca which is invested in the QIC Cash Fund will be returned to Treasury in 2026-27.

Other assets

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

Note 12 Other financial assets – non-current

The increase mainly relates to an uplift to QCMF (\$100 million) and additional Financial Provisioning Scheme investments in the LTDF (\$61.141 million). Also contributing is the fair value adjustments for a number of investments (\$43.215 million).

Note 2(d) Property, plant and equipment

The decrease mainly relates to transfer of South Brisbane property to Economic Development Queensland effective 1 December 2025 as part of the State's Land Acquisition Program.

Intangibles

The decrease is mainly due to \$16 million relating to the Camera Detected Offence Program budgeted as capital expenditure while the actual expenses are classified as operating expenses.

19 Budget vs actual comparison (continued)

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

Other non-current assets

The increase relates to prepayments for future years mainly due to subscriptions and licensing fees.

Note 13 Payables

The increase is mainly due to increased appropriation payable (\$155.53 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. This is partially offset by lower payables to Environmental Authority holders associated with cash surety held under the *MERFP Act 2018* (\$32.971 million).

Accumulated surplus

The increase mainly reflects the transfer of the revaluation surplus relating to the South Brisbane property to accumulated surplus following the transfer of the assets to Economic Development Queensland (\$85.5 million). Also contributing is higher accumulated surpluses associated with the FP Fund (\$53.881 million).

Revaluation surplus

The decrease mainly reflects the transfer of the revaluation surplus relating to the South Brisbane property to accumulated surplus following the transfer of the assets to Economic Development Queensland (\$85.5 million).

Contributed equity

The decrease mainly relates to transfer of the South Brisbane property to Economic Development Queensland on 1 December 2025 as part of the State's Land Acquisition Program (\$162.5 million). This is partially offset by an equity uplift for QCMF (\$100 million).

Explanation of major variances for Controlled Statement of Cash Flows

Cash flows from operating activities

Appropriation receipts

The decrease relates to a decrease in appropriation revenue (\$386.48 million) and movements in net appropriation payables (\$50.282 million).

GST input tax credits from 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 from operating activities. The actual Input tax credits received is \$18.077 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 from operating activities. The actual GST collected is \$2.149 million lower than budget.

Interest received

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

Other inflows

The increase mainly relates to increased other revenue (\$7.64 million). This is partially offset by Input tax credits received from ATO being budgeted as other Inflows (\$6.138 million) while the actual Input tax credits received is reported as a separate inflow.

Supplies and services

The decrease is mainly due to the decrease in supplies and services expense (\$137.951 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 an unbudgeted advance payment to the Department of Local Government, Water and Volunteers relating to the Community Benefits Fund (\$18.887 million).

Grants and subsidies

The decrease is due the decrease in grants and subsidies expenses (\$192.238 million) and movements in grant payables (\$1.787 million).

19 Budget vs actual comparison (continued)

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

Cash flows from operating activities (continued)

GST remitted to ATO

The increase is due to GST remitted to ATO being budgeted as other outflows. The actual GST remitted to ATO is \$2.637 million lower than budget.

GST paid to suppliers

The increase is due to GST paid to suppliers for goods and services purchased being budgeted as supplies and services. The actual GST paid to suppliers is \$18.823 million higher than budget.

Surety payments - Financial Provisioning Scheme

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

Other outflows

The decrease is mainly due to GST remitted to ATO being budgeted as other outflows while the actual GST remitted to ATO is reported as a separate outflow.

Cash flows from investing activities

Payments for property, plant and equipment

The increase relates to unbudgeted asset acquisitions mainly associated with the Nutanix Cloud Platform.

Payments for investments

The increase relates to an uplift to the QCMF (\$100 million) and additional Financial Provisioning Scheme investment in the LTDF (\$41.555 million).

Payments for intangibles

The decrease mainly relates to expenditure for the Camera Detected Offence Program being budgeted as capital expenditure (\$16 million) while the actual expenses are classified as operational expenses.

Cash flows from financing activities

Equity Injections

The increase primarily relates to an equity injection for the Boost to Buy Shared Equity Scheme (\$160 million) and an equity uplift to the QCMF (\$100 million). This is partially offset by budgeted equity injection relating to capital expenditure for the Camera Detected Offence Program (\$16 million) being reclassified as appropriation revenue as the actual expenses are classified as operational expenses.

Equity withdrawals

The variance is mainly due to an unbudgeted equity withdrawal payment associated with the Boost to Buy Shared Equity Scheme (\$160 million).

Queensland Treasury
Administered Statement of Comprehensive Income
for the year ended 30 June 2026

		2026	2026	2026	2025
		Actual	Original 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	20	27,083,705	24,752,060	2,331,645	28,088,267
Taxes	21	24,245,260	22,948,922	1,296,338	21,439,062
Royalties	22	6,529,284	7,943,917	(1,414,633)	7,891,841
Appropriation revenue	23	10,849,675	10,208,900	640,775	9,292,682
Fees and other revenue	24	1,347,896	1,187,840	160,056	1,130,327
Interest revenue	25	990,599	1,155,150	(164,551)	837,201
Total revenue		71,046,419	68,196,789	2,849,630	68,679,380
Gain on fair value movement of other financial assets and liabilities	32	4,518,921	2,164,540	2,354,381	865,633
Total income from operations		75,565,340	70,361,329	5,204,011	69,545,013
Expenses from operations					
Finance/borrowing costs	26	2,896,422	3,035,124	(138,702)	2,097,579
Losses on assets	27	261,265	57,844	203,421	151,669
Grants and subsidies	28	824,470	783,027	41,443	608,191
Supplies and services		216,608	133,141	83,467	144,108
Other expenses	29	6,529,013	6,257,608	271,405	6,310,791
Total expenses from operations		10,727,778	10,266,744	461,034	9,312,338
Operating result before transfers to government		64,837,562	60,094,585	4,742,977	60,232,675
Transfers of administered revenue to government		59,523,659	56,848,650	2,675,009	58,693,781
Total administered comprehensive income		5,313,903	3,245,935	2,067,968	1,538,894

The accompanying notes form part of these statements.

Queensland Treasury
Administered Statement of Financial Position
as at 30 June 2026

	Notes	2026 Actual \$'000	2026 Original budget \$'000	2026 Budget variance \$'000	2025 Actual \$'000
Assets and liabilities administered on behalf of the whole of government					
Current assets					
Cash and cash equivalents	30	(1,863,494)	(1,376,865)	(486,629)	1,888,984
Receivables	31	2,164,037	1,970,129	193,908	2,134,622
Other current assets		13,066	14,892	(1,826)	14,627
Total current assets		313,609	608,156	(294,547)	4,038,233
Non-current assets					
Receivables	31	44,472	22,920	21,552	27,412
Other financial assets	32	22,052,416	19,374,731	2,677,685	11,865,277
Total non-current assets		22,096,888	19,397,651	2,699,237	11,892,689
Total administered assets		22,410,497	20,005,807	2,404,690	15,930,922
Current liabilities					
Payables		367,707	77,149	290,558	123,770
Transfer to government payable **		1,883,246	2,556,142	(672,896)	2,171,810
Interest bearing liabilities	33	2,295,534	1,111,880	1,183,654	3,425,003
Other liabilities		105,325	49,066	56,259	88,555
Total current liabilities		4,651,812	3,794,237	857,575	5,809,138
Non-current liabilities					
Interest bearing liabilities and derivatives	33	80,370,528	87,854,384	(7,483,856)	64,219,213
Total non-current liabilities		80,370,528	87,854,384	(7,483,856)	64,219,213
Total administered liabilities		85,022,340	91,648,621	(6,626,281)	70,028,351
Administered net assets		(62,611,843)	(71,642,814)	9,030,971	(54,097,429)

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(a).

Queensland Treasury
Administered Statement of Cash Flows
for the year ended 30 June 2026

	Notes	2026 Actual \$'000	2025 Actual \$'000
Cash flows administered on behalf of the whole of government			
Cash flows from operating activities			
Inflows			
Administered item receipts		10,620,198	9,401,510
Grants and other contributions		27,384,080	27,810,929
Taxes		24,369,346	21,248,801
Royalties		6,592,747	7,912,957
Interest		986,475	841,292
GST input tax credits from ATO		71,427	15,686
GST collected from customers		31,918	29,867
Other		1,105,038	1,061,647
Outflows			
Transfers to government		(59,812,222)	(58,628,330)
Grants and subsidies		(853,292)	(576,526)
Finance/borrowing costs		(2,838,157)	(1,926,245)
Supplies and services		(216,346)	(143,776)
GST remitted to ATO		(31,948)	(29,853)
GST paid to suppliers		(61,076)	(24,028)
Other		(6,527,473)	(6,310,140)
Net cash provided by operating activities		820,715	683,791
Cash flows from investing activities			
Inflows			
Loans and advances received		24,152	4,926
Withdrawals from Debt Retirement Fund		1,400,000	..
Outflows			
Payments for investment in Debt Retirement Fund		(7,085,144)	(1,234,251)
Loans and advances made		(65,069)	(9,928)
Net cash used in investing activities		(5,726,061)	(1,239,253)
Cash flows from financing activities			
Inflows			
Advances received from GOCs		3,873,392	7,084,218
Borrowings		19,570,541	10,926,646
Transfer from redraw		730,000	3,490,000
Equity injections		6,699,286	2,497,069
Outflows			
Borrowing redemptions		(1,404,482)	(3,978)
Transfer to redraw		(2,670,000)	(730,000)
Advance redemptions to GOCs		(5,118,265)	(6,751,391)
Equity withdrawals		(20,527,604)	(10,298,177)
Net cash provided by financing activities		1,152,868	6,214,387
Net increase/(decrease) in cash and cash equivalents		(3,752,478)	5,658,925
Increase in cash and cash equivalents from restructuring		..	421,448
Administered cash and cash equivalents at beginning of financial year		1,888,984	(4,191,389)
Administered cash and cash equivalents at end of financial year	30	(1,863,494)	1,888,984

Queensland Treasury

**Administered Reconciliation of Operating Result to Net Cash provided by Operating Activities
for the year ended 30 June 2026**

	2026	2025
	\$'000	\$'000
Administered on behalf of the whole of government		
Operating result	5,313,903	1,538,894
Gain on fair value movements of investments and derivative	(4,518,921)	(865,633)
Non-cash finance cost adjustments	(60,105)	471
Interest expense on QTC loans	143,905	166,956
Change in assets and liabilities:		
(Increase)/decrease in receivables	(31,771)	(24,934)
(Increase)/decrease in other current assets	1,561	273
Increase/(decrease) in payables	243,937	(184,539)
Increase/(decrease) in transfers to government payable	(288,564)	65,852
Increase/(decrease) in other liabilities	16,770	38,887
Adjustment due to machinery-of-government changes	..	(52,436)
Net cash provided by operating activities	820,715	683,791

Queensland Treasury
Administered Reconciliation of Changes in Liabilities Arising from Financing Activities
for the year ended 30 June 2026

		Cash flows				
		Opening balance 2026	Interest and admin fees	Cash received	Cash repayments	Closing balance 2026
Notes		\$'000	\$'000	\$'000	\$'000	\$'000
Assets and liabilities administered on behalf of the whole of government						
Current liabilities						
Interest bearing liabilities	33	3,425,003	119,886	3,873,392	(5,122,747)	2,295,534
Non-current liabilities						
Interest bearing liabilities	33	64,162,709	(62,299)	20,300,541	(4,070,000)	80,330,951
Total administered liabilities		67,587,712	57,587	24,173,933	(9,192,747)	82,626,485

Administered Reconciliation of Changes in Liabilities Arising from Financing Activities
for the year ended 30 June 2025

		Cash flows				
		Opening balance 2025	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	33	2,943,966	152,188	7,084,218	(6,755,369)	3,425,003
Non-current liabilities						
Interest bearing liabilities	33	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

Queensland Treasury
Administered Statement of Comprehensive Income by Major Departmental Services
for the year ended 30 June 2026

	Economics and Fiscal 2026 \$'000	2025 \$'000	Energy and Climate** 2026 \$'000	2025 \$'000	Revenue Management 2026 \$'000	2025 \$'000	Other* 2026 \$'000	2025 \$'000	Inter-service/eliminations 2026 \$'000	2025 \$'000	Total 2026 \$'000	2025 \$'000
Income and expenses administered on behalf of the whole of government												
Income from operations	27,083,705	28,088,267	..	..	24,669,374	..	..	..	(424,114)	(143,879)	27,083,705	28,088,267
Grants and other contributions	..	..	..	..	6,529,284	7,891,841	..	..	..	..	24,245,260	21,439,062
Taxes	..	..	..	..	619,554	296,172	..	..	..	..	6,529,284	7,891,841
Royalties	161,174	141,303	662,325	427,999	973,909	757,621	9,406,622	8,427,208	..	..	10,849,675	9,292,682
Appropriation revenue	348,935	360,416	411	68	64,931	70,254	24,647	12,222	(6)	..	1,347,896	1,130,327
Fees and other revenue	838,426	680,698	..	..	..	..	107,290	108,604	(20,048)	(22,355)	990,599	837,201
Interest revenue	28,432,240	29,270,684	662,736	428,067	32,857,052	30,598,829	9,538,559	8,548,034	(444,168)	(166,234)	71,046,419	68,679,380
Total revenue	28,432,240	29,270,684	662,736	428,067	32,857,052	30,598,829	9,538,559	8,548,034	(444,168)	(166,234)	71,046,419	68,679,380
Gain on fair value movement of other financial assets and liabilities	4,501,995	858,196	16,926	7,437	..	..	..	..	..	..	4,518,921	865,633
Total income from operations	32,934,235	30,128,880	679,662	435,504	32,857,052	30,598,829	9,538,559	8,548,034	(444,168)	(166,234)	75,565,340	69,545,013
Expenses from operations	..	..	..	..	803	479	2,915,667	2,119,455	(20,048)	(22,355)	2,896,422	2,097,579
Finance/borrowing costs	..	..	..	..	261,265	151,669	..	..	..	..	261,265	151,669
Losses on assets	29,251	3,904	662,325	427,986	123,436	136,797	9,458	39,504	..	..	824,470	608,191
Grants and subsidies	147,274	126,725	..	..	64,514	12,640	4,820	4,743	..	..	216,608	144,108
Supplies and services	10,400	10,674	..	14	430,802	146,255	6,511,931	6,297,727	(424,120)	(143,879)	6,529,013	6,310,791
Other expenses	..	..	..	..	..	..	..	..	..	..	..	..
Total expenses from operations	186,925	141,303	662,325	428,000	880,820	447,840	9,441,876	8,461,429	(444,168)	(166,234)	10,727,778	9,312,338
Operating result before transfers to government	32,747,310	29,987,577	17,337	7,504	31,976,232	30,150,989	96,683	86,605	..	..	64,837,562	60,232,675
Transfers of administered revenue to government	27,433,407	28,448,683	17,337	7,504	31,976,232	30,150,989	96,683	86,605	..	..	59,523,659	58,693,781
Total administered comprehensive income	5,313,903	1,538,894	..	..	..	..	..	..	..	..	5,313,903	1,538,894

*Includes superannuation, whole-of-government offset account, central schemes (insurance, annual leave and long service leave), and other administered items.
 **2025 amounts represent income and expenses from 1 November 2024 to 30 June 2025 resulting from the machinery-of-government changes effective 1 November 2024.

**Queensland Treasury
Administered Statement of Assets and Liabilities by Major Departmental Services
as at 30 June 2026**

	Economics and Fiscal		Energy and Climate		Revenue Management		Other***		Inter- service/activity eliminations		Total	
	2026 \$'000	2025 \$'000	2026 \$'000	2025*** \$'000	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Assets and liabilities administered on behalf of the whole of government*												
Current assets												
Cash and cash equivalents	447,079	18,880	(99,866)	1,307,904	(94,499)	219,640	(2,116,208)	342,560	..	..	(1,863,494)	1,888,984
Receivables	107,815	579,343	2,461	19,116	2,113,387	1,975,979	(53,977)	(413,990)	(5,649)	(25,826)	2,164,037	2,134,622
Other current assets	191	163	..	..	..	..	12,875	14,464	..	..	13,066	14,627
Total current assets	555,085	598,386	(97,405)	1,327,020	2,018,888	2,195,619	(2,157,310)	(56,966)	(5,649)	(25,826)	313,609	4,038,233
Non-current assets												
Receivables	16,157	..	..	..	..	..	28,315	27,412	..	..	44,472	27,412
Other financial assets	22,052,416	11,865,277	..	..	..	..	..	..	..	..	22,052,416	11,865,277
Total non-current assets	22,068,573	11,865,277	..	..	..	..	28,315	27,412	..	..	22,096,888	11,892,689
Total administered assets	22,623,858	12,463,663	(97,405)	1,327,020	2,018,888	2,195,619	(2,128,995)	(29,554)	(5,649)	(25,826)	22,410,497	15,930,922
Current liabilities												
Payables	141,506	559	207,699	103,320	6,970	27,312	17,181	18,405	(5,649)	(25,826)	367,707	123,770
Transfer to government payable	(46,619)	95,722	24,485	7,559	1,906,148	2,079,307	(768)	(10,778)	..	..	1,883,246	2,171,810
Interest bearing liabilities	..	..	..	..	..	..	2,295,534	3,425,003	..	..	2,295,534	3,425,003
Other liabilities	..	..	..	..	105,325	88,555	..	..	..	..	105,325	88,555
Total current liabilities	94,887	96,281	232,184	110,879	2,018,443	2,195,174	2,311,947	3,432,630	(5,649)	(25,826)	4,651,812	5,809,138
Non-current liabilities												
Interest bearing liabilities and derivatives	..	..	39,577	56,504	..	..	80,330,951	64,162,709	..	..	80,370,528	64,219,213
Total non-current liabilities	..	..	39,577	56,504	..	..	80,330,951	64,162,709	..	..	80,370,528	64,219,213
Total administered liabilities	94,887	96,281	271,761	167,383	2,018,443	2,195,174	82,642,898	67,595,339	(5,649)	(25,826)	85,022,340	70,028,351
Administered net assets	22,528,771	12,367,382	(369,166)	1,159,637	445	445	(84,771,893)	(67,624,893)	..	..	(62,611,843)	(54,097,429)

*Treasury 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 for 2025 result from the machinery-of-government changes effective 1 November 2024.

20 Grants and other contributions

	2026 \$'000	2025 \$'000
Administered on behalf of the whole of government		
GST revenue grant	16,912,934	19,043,984
National Partnership Payments – capital project	4,694,828	3,880,811
National Partnership Payments – recurrent project	1,887,855	1,744,473
Specific purpose – recurrent		
– Schools	2,697,677	2,543,193
– Skills and workforce development	458,298	450,682
– Affordable housing	362,759	355,395
Specific purpose – capital	69,354	69,729
	27,083,705	28,088,267

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.

21 Taxes

	2026 \$'000	2025 \$'000
Administered on behalf of the whole of government		
Taxes		
Duties	11,125,123	9,481,554
Payroll tax	7,441,394	6,855,443
Land tax	2,720,847	2,361,154
Gaming machine tax	1,268,410	1,162,731
Lottery tax	394,023	389,126
Betting tax	327,957	304,715
Casino tax	116,880	111,422
Keno tax	32,233	30,202
Other taxes	2,222	1,841
	23,429,089	20,698,188
Levies		
Health services levy	223,351	195,862
Mental Health Levy	592,820	545,012
	816,171	740,874
	24,245,260	21,439,062

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.

22 Royalties

	2026 \$'000	2025 \$'000
Administered on behalf of the whole of government		
Royalties	6,529,284	7,891,841
	6,529,284	7,891,841

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.

23 Appropriation revenue

	2026 \$'000	2025 \$'000
Administered on behalf of the whole of government		
Budgeted administered item appropriation and equity	17,136,500	8,492,988
Transfer (to)/from other departments – redistribution of public business	..	1,674,759
Lapsed administered appropriation	(1,470,181)	..
Unforeseen expenditure	..	1,730,832
Total administered item receipts including equity	15,666,319	11,898,579
Less: opening balance of administered appropriation revenue receivable	(223,320)	(332,177)
Plus: closing balance of administered appropriation revenue receivable	452,797	223,320
Plus: deferred appropriation payable transfer in	..	29
Total administered appropriation revenue recognised in the Statement of Comprehensive Income including equity	15,895,796	11,789,751
This is represented by:		
Administered item revenue recognised in the Statement of Comprehensive Income	10,849,675	9,292,682
Appropriated equity injection*	5,046,121	2,497,069
Total administered appropriation revenue recognised in the Statement of Comprehensive Income including equity	15,895,796	11,789,751

*Appropriated equity injection mainly relates to the contribution of the State to the Debt Retirement Fund from the Consolidated Fund Long-term assets (note 32).

24 Fees and other revenue

	2026 \$'000	2025 \$'000
Administered on behalf of the whole of government		
Fines and penalty debt revenue	897,145	698,348
Competitive neutrality fees	343,505	355,842
Regulatory fees	74,603	56,097
Miscellaneous receipts	32,643	20,040
	1,347,896	1,130,327

24 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.

25 Interest revenue

	2026 \$'000	2025 \$'000
Administered on behalf of the whole of government		
Interest – Debt Retirement Fund	837,659	680,698
Interest – investments and loans	85,701	84,816
Interest – others	67,239	71,687
	<u>990,599</u>	<u>837,201</u>

26 Finance/borrowing costs

	2026 \$'000	2025 \$'000
Administered on behalf of the whole of government		
Interest and payments on loans – QTC	2,679,842	1,856,080
Administration fees	52,518	42,752
Interest – other	164,062	198,747
	<u>2,896,422</u>	<u>2,097,579</u>

26 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 (TOA) (refer to note 30 for whole-of-government TOA arrangements) and whole-of-government borrowings, GOCs advances and Commonwealth borrowings (note 33). These also includes recognition of initial discount and amortisation of discounts or premiums relating to Disaster Recovery Funding Arrangements (DRFA) loans and borrowings.

27 Losses on assets

	2026 \$'000	2025 \$'000
Administered on behalf of the whole of government		
Bad debts written off*	179,596	168,193
Impairment loss/(reversals) – fines and penalty debt	83,941	(27,256)
Impairment loss/(reversals) – taxation	(2,272)	10,732
	261,265	151,669

*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 \$134.201 million for 2025–26 (2025: \$135.993 million).

The total bad debts written-off includes bad debts written off directly, not through provision for impairment, amounting to \$5.524 million for 2025–26 (2025: \$5.398 million) (note 31).

28 Grants and subsidies

	2026 \$'000	2025 \$'000
Administered on behalf of the whole of government		
Community Service Obligation payments*	658,021	425,419
First Home Owner Grant (FHOG)**	111,260	125,456
Concessional loan expense***	25,751	..
Grants to Queensland Government entities	12,958	43,409
Others	16,480	13,907
	824,470	608,191

*This includes Community Service Obligation payments made on behalf of the Queensland Government to energy retailers Energy Queensland and Origin. The most significant payments relate to the Uniform Tariff Policy supporting regional Queensland.

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

***The concessional loan expense represents the difference between the initial fair value and gross value of a loan receivable. Refer to note 31.

29 Other expenses

	2026 \$'000	2025 \$'000
Administered on behalf of the whole of government		
Superannuation benefit payments	2,187,307	2,244,883
Annual leave central scheme reimbursements	3,198,152	2,962,886
Long service leave central scheme reimbursements	793,110	758,192
Queensland Government Insurance Fund claims	292,579	287,478
Reinsurance expense	40,214	43,726
Special payments	15,384	12,769
Sundry	2,267	857
	6,529,013	6,310,791

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 6).

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 2025–26 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.

30 Cash and cash equivalents

	2026 \$'000	2025 \$'000
Administered on behalf of the whole of government		
Whole-of-government Treasury Offset Arrangement*	(3,659,802)	(475,658)
Other administered bank accounts	1,796,308	2,364,642
	(1,863,494)	1,888,984

*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 33).

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 2026 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 3.6% and 4.67% (2025: between 3.85% and 4.63%) along with an administration margin of 0.05% (2025: 0.05%).

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

31 Receivables

	2026 \$'000	2025 \$'000
Administered on behalf of the whole of government		
Current		
Debtors*	2,016,234	2,121,160
Less: allowance for impairment*	(403,665)	(321,995)
	1,612,569	1,799,165
Appropriation revenue receivable	452,797	223,320
Competitive neutrality fees	86,862	90,524
Other advances	3,307	5,663
Sundry receivable	8,502	15,950
	551,468	335,457
Total current	2,164,037	2,134,622
Non-current		
Concessional loan	16,157	..
Other advances	28,315	27,412
Total non-current	44,472	27,412
Total current and non-current	2,208,509	2,162,034

*The debtors balance includes receivables of \$1.210 billion (2025: \$1.099 billion) for fines and penalty debt. As at 30 June 2026, a loss allowance of \$343.323 million is recognised for the fines and penalty receivable (2025: \$259.381 million) representing 28% of the total receivables (2025: 24%).

The receivables other than debtors do not have any loss allowance as they are mainly inter-agency receivables between Treasury, other departments, GOCs and Commonwealth.

Movements in allowance for impairment of receivables		
Opening balance	321,995	338,520
Amounts written off during the year	(174,072)	(162,796)
Increase/(decrease) recognised in Statement of Comprehensive Income**	255,742	146,271
Balance at 30 June	403,665	321,995

**Does not include amounts written off directly to bad debts expense, \$5.524 million (2025: \$5.398 million), (refer note 27).

31 Receivables (continued)

Accounting policy – Receivables

Administered debtors for taxes, royalties, fines and penalty debt are recognised in line with revenue criteria, explained in notes 21–22 and note 24.

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 Government 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 33). Principal repayments on advances made to QRIDA become payable within 2 years and interest repayments payable within 1 year after the Commonwealth contribution is received.

Concessional loan

This represents the value of royalty liabilities deferred by a private entity in accordance with the term of its royalty deferral arrangement with the Queensland Government, which was agreed under the Resources Regional Development Framework. The loan receivable has a term of 28 years and is measured at amortised cost as the cash flows are solely payment of principal and interest and the business model is to collect cash flows in accordance with the requirements of AASB 9 *Financial Instruments*. The loan is supported by a security package comprising security over assets of the private entity which provides Treasury with recourse in the event of default.

Credit risk exposure from the concessional loan is managed through compliance with the provisions of the arrangement. Credit risk exposure is mitigated through the security package available to Treasury and compliance with the financial covenants. Credit risk assessment is performed annually to assess any expected credit loss. There is no expected credit loss for the loan recognised for 2025–26.

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 \$431.536 million (2025: \$668.499 million) that do not have any loss allowance.

31 Receivables (continued)

<i>Taxation debtors - assessed collectively using a provision matrix</i>						
Administered on behalf of the whole of government	2026			2025		
	Gross receivables	Loss rate	Expected credit losses	Gross receivables	Loss rate	Expected credit losses
	\$'000	%	\$'000	\$'000	%	\$'000
Not yet due	137,591	0.3	352	116,941	0.2	282
Less than 30 days	25,303	3.2	814	35,262	3.2	1,124
30 to 60 days	14,896	11.2	1,675	10,576	12.3	1,301
61 to 90 days	10,312	16.9	1,739	11,333	15.9	1,800
Greater than 90 days	163,069	19.7	32,128	155,695	20.2	31,497
Total	351,171		36,709	329,807		36,004

<i>Taxation and royalties debtors - assessed individually</i>						
Administered on behalf of the whole of government	2026			2025		
	Gross receivables	Allowance for impairment	Carrying amount	Gross receivables	Allowance for impairment	Carrying amount
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Not yet due	1	(1)	..	18	(18)	..
Less than 30 days	29	(29)	..	292	(292)	..
30 to 60 days	39	(39)	..	47	(47)	..
61 to 90 days	78	(78)	..	459	(459)	..
Greater than 90 days	23,486	(23,486)	..	25,794	(25,794)	..
Total	23,633	(23,633)	..	26,610	(26,610)	..

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 (adopted up to 30 June 2025). Management judgement is required in assessing the debt finalisation rates.

31 Receivables (continued)

A change in the expected credit loss methodology is reflected in the loss rate as at 30 June 2026. The change in the methodology in computing the loss rate includes the change in the categorisation of debt types with similar loss rate and change in the debt finalisation rate to exclude recalled or withdrawn debts by issuing agencies. The change is reflected on a prospective basis and comparative amounts for 2024–25 have not been restated (refer to note 1(h)).

Fines and penalty debt debtors - assessed collectively using a provision matrix			2026			2025		
Administered on behalf of the whole of government	Gross receivables	Loss rate	Expected credit losses	Gross receivables	Loss rate	Expected credit losses	Gross receivables	Expected credit losses
	\$'000	%	\$'000		%	\$'000		\$'000
Less than 35 days	85,737	13.2	11,332	73,195	12.4	9,080		
Greater than 35 days*	1,124,157	29.5	331,991	1,023,049	24.5	250,301		
Total	1,209,894		343,323	1,096,244		259,381		

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

32 Other financial assets

	2026	2025
	\$'000	\$'000
Administered on behalf of the whole of government		
Queensland Future Fund – Debt Retirement Fund (DRF) – FRN with QTC	22,052,416	11,865,277
Reconciliation of movements in the DRF		
Opening balance	11,865,277	9,772,830
Add: Additional contributions	6,247,485	553,553
Add: Interest income reinvested	837,659	680,698
Add: Gain/(loss) on fair value movement of the fixed rate note	4,501,995	858,196
Less: Withdrawals	(1,400,000)	..
Closing balance	22,052,416	11,865,277

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.

32 Other financial assets (continued)

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.

Under the DRF FRN agreement between Treasury and QTC, 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.

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. 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.

In 2025–26, the State contributed \$6.247 billion of Consolidated Fund Long Term Assets to the DRF (2025: \$553.553 million). The contribution was recognised as an increase in the book value of the DRF FRN. The FRN fair value movements for the financial year valued from QTC's underlying DRF portfolio managed by QIC totalled \$4.502 billion.

As part of the State's 2025–26 Budget, the Queensland Government approved a debt repayment measure involving withdrawals from the DRF over a four-year period. The first withdrawal of \$1.4 billion for the purpose of debt repayment occurred in 2025–26. The DRF FRN withdrawal was effected through a partial disposal by QTC of its underlying DRF investment portfolio assets.

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 7% 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.

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 the Queensland Government. QIC Limited as the investment manager for the portfolio implements the investment objectives set by SIAB for the DRF portfolio.

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

	2026 \$'000	2025 \$'000
Defensive assets		
Cash	4,020,155	1,484,738
Fixed interest	324,395	332,473
Growth assets		
Equities	3,279,870	3,644,249
Diversified alternatives	2,543,161	1,543,215
Unlisted assets		
Infrastructure*	4,747,612	1,505,875
Private equities	1,725,987	984,695
Real estate	5,443,130	2,337,110
Currency overlay	(31,894)	32,922
	22,052,416	11,865,277

*The DRF holds a 49.9% share (2025:23.61%) in Queensland Titles Registry Pty Ltd. These holdings represent 25.64% (2025: 20.21%) of the DRF's total portfolio and are reported 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 14.96% (2025: 15.29%). Returns from the DRF are quarantined and reinvested in the DRF asset portfolio.

33 Interest bearing liabilities and derivatives

	2026 \$'000	2025 \$'000
Administered on behalf of the whole of government		
Current - Interest bearing liabilities		
Advances payable to GOCs*	2,292,911	3,420,522
Commonwealth borrowings	2,623	4,481
Total current interest bearing liabilities	2,295,534	3,425,003
Non-current - Interest bearing liabilities		
QTC borrowings**	80,315,547	64,147,326
Commonwealth borrowings	17,451	16,533
Less concessional loan discount and unwind	(2,047)	(1,150)
Total non-current interest bearing liabilities	80,330,951	64,162,709
Non-current - Derivatives		
Commodity and electricity derivative instruments	39,577	56,504
Total non-current interest bearing liabilities and derivatives	80,370,528	64,219,213

*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 30). Interest charged on advances payable to GOCs are based on QTC interest rates between 4.04% and 5.32% (2025: between 4.34% and 5.55%) along with an administration margin of 0.12% (2025:0.12%).

**Interest is charged on whole-of-government borrowings with QTC at rates of between 2.66% and 4.97% (2025: between 2.66% and 5.02%) along with an administration margin at the rate of 0.07% (2025:0.07%) which is accrued and paid quarterly to QTC.

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 35(e). Borrowings are split between current and non-current liabilities using the principles set out in note 1(e).

Accounting policy – Derivatives

Treasury 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.

34 Contingencies

Litigation in progress

As at 30 June 2026, the following number of cases were filed in the courts:

	Cases	Estimated amount \$'000
Supreme Court	17	528,238
Civil and Administrative Tribunal	48	4,101
Others	1	117
Total	66	532,456

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 2025–26.

35 Financial instruments

(a) Categorisation of financial instruments

Administered on behalf of the whole of government			
Category	Notes	2026 \$'000	2025 \$'000
Financial assets			
Cash and cash equivalents	30	(1,863,494)	1,888,984
Receivables	31	2,208,509	2,162,034
Other financial assets	32	22,052,416	11,865,277
Other current assets		191	163
Total		22,397,622	15,916,458
Financial liabilities			
Payables		367,707	123,770
Transfer to government payable		1,883,246	2,171,810
Advances payable to GOCs	33	2,292,911	3,420,522
QTC borrowings	33	80,315,547	64,147,326
Commodity and electricity derivative instruments	33	39,577	56,504
Commonwealth borrowings held at amortised cost	33	18,027	19,864
Other liabilities		462	415
Total		84,917,477	69,940,211

(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 31.

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 the 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.

35 Financial instruments (continued)

(c) Liquidity risk (continued)

Administered on behalf of the whole of government						
Notes	2026 payable in			Total undiscounted cash flow \$'000	Carrying amount \$'000	
	< 1 year	1 - 5 years	> 5 years			
	\$'000	\$'000	\$'000			
Financial liabilities						
Payables	367,707	..	..	367,707	367,707	
Transfer to government payable	1,883,246	..	..	1,883,246	1,883,246	
Commodity and electricity derivative instruments	33	..	39,577	39,577	39,577	
Commonwealth borrowings*	33	3,053	14,912	21,847	20,074	
Advances payable to GOCs	33	2,292,911	..	2,292,911	2,292,911	
QTC borrowings	33	3,403,183	13,601,982	97,234,337	80,315,547	
Other liabilities		462	..	462	462	
Total		7,950,562	13,616,894	101,840,087	84,919,524	

*Carrying amount excludes amortised cost component of Commonwealth borrowings.

Administered on behalf of the whole of government						
Notes	2025 payable in			Total undiscounted cash flow \$'000	Carrying amount \$'000	
	< 1 year	1 - 5 years	> 5 years			
	\$'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	33	..	56,504	56,504	56,504	
Commonwealth borrowings*	33	4,931	13,992	22,764	21,015	
Advances payable to GOCs	33	3,420,522	..	3,420,522	3,420,522	
QTC borrowings	33	2,391,391	9,563,497	76,042,482	64,147,326	
Other liabilities		415	..	415	415	
Total		8,112,839	9,577,489	81,838,267	69,941,362	

*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 2026 (2025: +/- 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.

35 Financial instruments (continued)

(d) Market risk (continued)

Administered on behalf of the whole of government					
Financial instruments	Carrying amount	2026 Interest rate risk			
		-1.00%		1.00%	
		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	(3,659,802)	36,598	(36,598)	(36,598)	36,598
Receivables					
Loans and advances	61,215	(612)	612	612	(612)
Interest bearing liabilities					
Commonwealth borrowings	20,074	201	(201)	(201)	201
Advances payable to GOCs	2,292,911	22,929	(22,929)	(22,929)	22,929
QTC borrowings – General Debt Pool (floating rate)*	77,216,015	40,506	(40,506)	(34,260)	34,260
QTC borrowings – Variable Rate Loan	3,099,532	30,995	(30,995)	(30,995)	30,995
Potential impact		130,617	(130,617)	(124,371)	124,371

Administered on behalf of the whole of government					
Financial instruments	Carrying amount	2025 Interest rate risk			
		-1.00%		1.00%	
		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

*QTC borrowings – General debt pool is based on QTC sensitivity analysis and not based on the +/-1.00% (2025: +/-1.00%) 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. 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 Treasury'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 Treasury at the balance sheet date.

35 Financial instruments (continued)

(d) Market risk (continued)

Sensitivity analysis – Commodity price (continued)

Administered on behalf of the whole of government					
Financial instruments	Carrying amount	2026 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	39,577	3,958	(3,958)	(3,958)	3,958

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

(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			2026 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	1,796,308	..	..	1,796,308
Whole-of-government Treasury Offset Arrangement	(3,659,802)	..	..	(3,659,802)
Other financial assets	..	..	22,052,416	22,052,416
Commodity and electricity derivative instruments	..	..	39,577	39,577
Total	(1,863,494)	..	22,091,993	20,228,499

35 Financial instruments (continued)

(e) Fair value (continued)

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

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.

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				
	2026		2025	
	Carrying amount \$'000	Fair value \$'000	Carrying amount \$'000	Fair value \$'000
Financial assets				
Receivables				
Loans and advances*	77,431	46,925	36,514	31,318
	77,431	46,925	36,514	31,318
Financial liabilities				
Interest bearing liabilities – Commonwealth borrowings*	20,074	17,927	21,015	19,421
Interest bearing liabilities – QTC borrowings	80,315,547	75,641,535	64,147,326	60,369,098
Total	80,335,621	75,659,462	64,168,341	60,388,519

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

36 Budget vs actual comparison

A budget vs actual comparison, and explanations of major variances, have 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.

Explanation of major variances for Administered Statement of Comprehensive Income

Note 20 Grants and other contributions

The increase primarily relates to unbudgeted funding received under the Disaster Ready Fund from the Commonwealth Government (\$2.331 billion) and higher GST revenue (\$287.528 million), partially offset by lower National Partnership Payments for capital projects (\$486.288 million) mainly for roads and rail infrastructure projects.

Note 21 Taxes

The increase primarily relates to higher transfer duty (\$1.266 billion) reflecting higher than expected dwelling prices and volumes of large transactions.

Note 22 Royalties

The decrease primarily relates to lower coal royalties (\$1.369 billion) due to reduced coal export volumes impacted by flooding events in North Queensland in early 2026. Also contributing is lower petroleum and gas royalties (\$75.496 million). This is partially offset by higher mining royalties (\$35.747 million).

Note 24 Fees and other revenue

The increase primarily reflects fines and penalties collected by the State Penalties Enforcement Registry for illicit tobacco offences.

Note 25 Interest revenue

The decrease is mainly due to lower interest earned by the DRF (\$288.276 million), partially offset by higher interest earned on the TOA (\$82.994 million) and on trust fund relating to the *Property Occupations Act 2014* and *Motor Dealers and Chattel Auctioneers Act 2014* (\$43.931 million).

Gain on fair value movement of other financial assets and liabilities

The increase is mainly associated with the market value increment on the DRF (\$2.382 billion).

Note 27 Losses on assets

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

Supplies and services

The increase is mainly due to an unbudgeted settlement payment (\$52.946 million) and higher GST administration costs (\$20.673 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 20), and higher transfer duty (refer to note 21). This is partially offset by lower royalties revenue (refer to note 22).

Total administered comprehensive income

The increase primarily relates to the DRF associated with fair value increments (\$2.382 billion).

36 Budget vs actual comparison (continued)

Explanation of major variances for Administered Statement of Financial Position

Note 30 Cash and cash equivalents

The decrease mainly relates to the TOA (\$2.335 billion) which supports management of the whole-of-government cash position. TOA balances fluctuate each year depending on balances in other accounts within the offset arrangements. This is partially offset by an increase in cash held in Treasury Administered bank account (\$1.891 billion) mainly due to timing differences in payments of non-appropriated equity withdrawals to GOCs and borrowing raised in 2025–26 being transferred to the Consolidated Fund in 2026–27, partially offset by a decrease in transfer to government payable.

Note 31 Receivables (current)

The increase is mainly due to an unbudgeted appropriation revenue receivable (\$452.797 million) as a result of higher than budgeted administered expenses. This is partially offset by lower royalty revenue receivable (\$188.371 million) and taxation revenue receivable (\$43.437 million).

Note 31 Receivables (non-current)

The increase mainly relates to a concessional loan associated with a Royalty Deferral arrangement (\$16.157 million) which was budgeted to commence in 2026–27, and the level of loans associated with the DRFA (\$6.166 million).

Note 32 Other financial assets

The increase relates to the DRF, including the impact of fair value movements, additional investment and capitalised interest.

Payables

The increase mainly relates to higher Community Service Obligation payable to GOCs to support equitable electricity prices for regional Queensland customers (\$150.141 million). Also contributing is an unbudgeted GST revenue adjustment payable to Commonwealth Government (\$141.506 million).

Transfer to government payable

This reflects administered revenue earned but not yet transferred to the Consolidated Fund at year end. The decrease mainly relates to the level of Commonwealth revenue and revenue collected by the Queensland Revenue Office yet to be transferred to the Consolidated Fund at 30 June 2026.

Note 33 Interest bearing liabilities (current)

The increase mainly reflects the level of advances from GOCs (\$1.185 billion) under the GOCs cash management arrangements.

Other liabilities

The increase mainly reflects the level of unearned revenue relating to transfer duty (\$47.55 million).

Note 33 Interest bearing liabilities and derivatives (non-current)

The decrease mainly reflects lower whole-of-government borrowing requirements, driven by improvements to the operating position and continued prioritisation of the capital program.

Other Note Disclosures

37 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 (\$1.617 million) and QGrants system support services (\$0.672 million), from Queensland Health for preventative health surveys (\$1.083 million), from Department of Trade, Employment and Training for employment related data collection (\$1.01 million) and QGrants system support services (\$0.34 million).
	Treasury received revenue from the Motor Accident Insurance Commission and Nominal Defendant for corporate support (\$1.437 million), Information and Communication Technology services (\$0.696 million) and actuarial services (\$0.68 million). Revenue is also received from the National Injury Insurance Scheme Queensland for Information and Communication Technology services (\$1.668 million) and actuarial services (\$0.139 million).
Statement of Comprehensive Income: Grants and contributions	Treasury received contribution from Powerlink Queensland (\$5.898 million), Department of Natural Resources and Mines, Manufacturing and Regional and Rural Development (\$1.567 million), and Energy Queensland (\$1.173 million) towards the Queensland Government's funding commitment to the Australian Energy Market Commission.
Statement of Comprehensive Income: Other revenue	The Department of Transport and Main Roads returned unspent funding (\$0.905 million) to Treasury in relation to an electric vehicle charging infrastructure trial program and paid for the recovery of contractor costs (\$0.12 million).
Note 7: Supplies and Services	Treasury paid the Department of Housing and Public Works for management of accommodation leases (\$27.132 million) and computer facilities management (\$0.029 million), Queensland Shared Services for business service fees and technical solutions (\$2.356 million) and CITEC for infrastructure and network services (\$1.157 million) and confirm service fees (\$0.786 million). Treasury also paid to the Department of Justice legal fees (\$1.344 million) for professional services.
Note 8: Grants and Subsidies	Treasury paid grants to the Department of State Development, Infrastructure and Planning (\$15.67 million) for the Regional Economic Futures Fund, to the Department of Housing and Public Works (\$5.25 million) for the Social Housing Energy Performance Initiative, the Department of Natural Resources and Mines, Manufacturing and Regional and Rural Development (\$2.642 million) for the Financial Provisioning Scheme.
Note 9: Other expenses	Treasury paid to the Queensland Audit Office audit fees relating to the 2025–26 financial statements.
	QTC provides company secretariat and accounting services to QTH. A fee of \$0.377 million was charged for these services.
Note 10: Cash and cash equivalents	Treasury invested funds held by the Financial Provisioning Scheme in QTC Cash Fund amounting to \$20.741 million and interest revenue net of management fees received during the year totalled \$0.933 million.
	QTH invested funds with the QTC Cash Fund as at 30 June 2026 totalled \$116.5 million and interest revenue net of management fees received during the year totalled \$4.7 million.
Note 11: Receivables	Treasury paid the Department of Local Government, Water and Volunteers of \$18.887 million in advances in administering the Community Benefit Funds on behalf of Treasury.
Note 12: Other financial assets	Treasury holds various investments managed by QIC Limited which includes the BDF, BQBIF, Repluca and LTDF. Investment management fees of \$2.605 million were paid in relation to LTDF.
Statement of Financial Position: Property, plant and equipment	Treasury transferred land asset to Economic Development Queensland (\$162.5 million).
Note 14: Interest bearing liabilities	QTH has loan balances outstanding to QTC as at 30 June 2026 of \$94.3 million with interest expense and fees totalling \$4.6 million capitalised against these loans.
Statement of Changes in Equity: Non-appropriated equity withdrawal	Treasury contributed \$160 million in equity funding to QTC to facilitate the Boost to Buy Shared Equity Scheme.

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

Administered transactions

Administered	
Note Reference	Description of Related entity transactions
Note 21: 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 (\$381.554 million).
Note 22: Royalties	Treasury administers collection of royalties (\$23.385 million) from GOCs.
Note 23: 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 24: Fees and other revenue	Treasury administers the collection of competitive neutrality fees from GOCs under the National Competition Policy.
Note 28: Grants and Subsidies	Treasury administers grant payments to statutory bodies including Queensland Productivity Commission (\$6.74 million), Queensland Competition Authority (\$3.5 million) and Queensland Treasury Corporation (\$2.718 million) for establishment of Queensland Government Consulting Services.
	Treasury administers Community Service Obligation payments to Energy Queensland (\$658.021 million).
Supplies and services	Treasury incurred land valuation fee expenses of \$5.9 million to the Department of Natural Resources and Mines, Manufacturing and Regional and Rural Development.
Note 29: 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 30: Cash and cash equivalents	Treasury operates a whole-of-government offset arrangement, which includes the Treasury Offset Bank Account and a Working Capital Facility. Note 30 outlines the key terms and conditions of these arrangements which covers advances and principal repayments from the General Government Debt Pool disclosed in note 33. This includes advances from GOCs under the GOC cash offset arrangements.
Note 31: Receivables	Treasury administers the provision of State and Commonwealth loans (\$5.44 million) for DRFA to QRIDA. Treasury paid administration fees (\$4.718 million) in relation to the loans.
Note 32: 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 33: Interest bearing liabilities	Treasury pays interest for borrowings it undertakes with QTC.
Administered Statement of Cash Flows: Equity withdrawals	Treasury paid equity funding from the Queensland Renewable Energy and Hydrogen Jobs Fund to CS Energy (\$114.1 million) and to Stanwell (\$63.939 million). Treasury also paid \$129.4 million to Queensland Hydro Trust for additional capital contribution. Equity withdrawal for borrowing requirements is also paid to the Consolidated Fund.

38 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 Government requires the payment to be paid into an interest bearing account held by the final recipient of the funding.

Amounts received from the Commonwealth Government for direct payments to the following entities in 2025–26 totalled \$4.930 billion (2025: \$4.664 billion):

- Department of Education – quality schools funding, \$4.853 billion (2025: \$4.593 billion).
- Department of Primary Industries – pest and disease preparedness and response programs, \$76.435 million (2025: \$70.779 million) and established pest animal and weeds program \$0.251 million (2025: Nil).

39 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 2025–26 financial year, the total value of grants paid was \$457.074 million (2025: \$536.678 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 2026 was \$2.57 million (2025: \$4.834 million), which represents money in transit held by Treasury to be identified as owing to either the Consolidated Fund and/or other Government Agencies.

40 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.

	2026 \$'000	2025 \$'000
Opening balance	13,760	12,398
Collections	62,906	58,735
Distributions to principals	(60,968)	(57,378)
Others	517	5
Balance 30 June	16,215	13,760

Treasury also holds an interest-bearing deposit account under its name in accordance with the royalty deferral arrangement with a private entity (refer to note 31). The account is only used for its intended purpose as per the agreement to meet contractual obligations. The funds are not available for use by Treasury for any other purposes. As at 30 June 2026, the balance in the account is \$5.5 million.

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 38–40).

**Queensland Treasury
Management Certificate
For the year ended 30 June 2026**

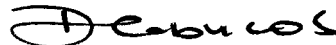
These general purpose financial statements have been prepared pursuant to s.62(1) of the *Financial Accountability Act 2009* (the Act), section 38 of the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with s.62(1)(b) of the Act we certify that in 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 2026 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
28 August 2026



D. Brooks, FCPA
Chief Finance Officer
28 August 2026

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 2026, the statements of comprehensive income, statements of changes in equity and 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 accordance with s. 40 of the *Auditor-General Act 2009*, for the year ended 30 June 2026:

- 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.
- c) In my opinion, the financial report:
 - i. gives a true and fair view of the parent's and group's financial position as at 30 June 2026, and their financial performance and cashflows for the year then ended
 - ii. 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, I do not provide a separate opinion on these matters.

Completeness of tax revenue (\$24.245 billion for the year ended 30 June 2026) and royalties (\$6.529 billion for the year ended 30 June 2026)

Refer to notes 21 and 22 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 (\$11.125 billion), payroll tax (\$7.441 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 \$897.145 million for the year ended 30 June 2026; receivables of \$1.210 billion as at 30 June 2026).

Refer to notes 24, 31 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 such internal control as they determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error
- the establishment and keeping of accounts in accordance with prescribed requirements
- assessing the department'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 department 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. My auditor's report must state whether I have received all the information and explanations required, and whether I consider the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

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

A further description of my responsibilities under the *Auditor-General Act 2009* and *Auditor-General Auditing Standards* is located at the Queensland Audit Office website at:

www.qao.qld.gov.au/audit-program/audit-standards

These descriptions form part of my auditor's report.



Rachel Vagg
Auditor-General

31 August 2026

Queensland Audit Office
Brisbane