Queensland Government

Department of the Premier and Cabinet
Financial Statements
for the year ended 30 June 2026

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Department of the Premier and Cabinet
Statement of Comprehensive Income
for the year ended 30 June 2026

	Notes	2026	2025[(1)]
Operating result		**$'000**	**$'000**
Income			
Appropriation revenue	B1-1	125,463	103,660
User charges and fees	B1-2	4,981	4,653
Grants and contributions	B1-3	836	6,270
Other revenue	B1-4	14,914	7,975
Total income		**146,194**	**122,558**
Expenses			
Employee expenses	B2-1	87,268	79,498
Supplies and services	B2-2	40,160	31,058
Grants and subsidies	B2-3	14,710	8,050
Depreciation and amortisation		428	196
Other expenses	B2-4	3,628	3,756
Total expenses		**146,194**	**122,558**
Operating result for the year		**-**	**-**
Total comprehensive income		**-**	**-**

The accompanying notes form part of these financial statements.

An explanation of major variances to budget is included in Note E1.

[(1)] The comparatives include financial results for the service areas impacted by the machinery-of-government changes effective from 1 November 2024 (refer to Note A3).

Department of the Premier and Cabinet
Statement of Financial Position
as at 30 June 2026

	Notes	2026	2025
		$'000	$'000
Current assets			
Cash and cash equivalents	C1	20,968	38,453
Receivables	C2	6,290	4,912
Other current assets	C3	3,495	2,563
Total current assets		**30,753**	**45,928**
Non-current assets			
Intangible assets	C4	2,063	2,439
Property, plant and equipment	C5	252	239
Total non-current assets		**2,315**	**2,678**
Total assets		**33,068**	**48,606**
Current liabilities			
Payables	C6	24,898	39,944
Accrued employee benefits	C7	3,174	2,740
Other current liabilities		365	871
Total current liabilities		**28,437**	**43,555**
Non-current liabilities			
Other non-current liabilities		-	422
Total non-current liabilities		**-**	**422**
Total liabilities		**28,437**	**43,977**
Net assets		**4,631**	**4,629**
Equity			
Contributed equity		111	109
Accumulated surplus		4,520	4,520
Total equity		**4,631**	**4,629**

The accompanying notes form part of these financial statements.

An explanation of major variances to budget is included in Note E1.

Department of the Premier and Cabinet
Statement of Changes in Equity
for the year ended 30 June 2026

	Notes	2026	2025[1]
		$'000	**$'000**
Contributed equity			
Balance as at 1 July		109	376
Transactions with owners as owners:			
Appropriated equity injections	C8-2	2	2
Transfers to other Queensland Government entities	C4-1, C5-1	-	(269)
Net transactions with owners as owners		**2**	**(267)**
Balance as at 30 June		**111**	**109**
Accumulated surplus			
Balance as at 1 July		4,520	4,520
Balance as at 30 June		**4,520**	**4,520**
Total equity		**4,631**	**4,629**

The accompanying notes form part of these financial statements.

[1] The comparatives include financial results for the service areas impacted by the machinery-of-government changes effective from 1 November 2024 (refer to Note A3).

Department of the Premier and Cabinet
Statement of Cash Flows
for the year ended 30 June 2026

	Notes	2026	2025[1]
		$'000	**$'000**
Cash flows from operating activities			
Inflows:			
Service appropriation receipts	B1-1	112,389	112,475
User charges and fees		3,674	4,820
Grants and contributions		816	6,370
GST input tax credits from ATO		4,498	3,837
GST collected from customers		463	272
Other		13,272	6,588
Outflows:			
Employee expenses		(87,364)	(79,314)
Supplies and services		(39,804)	(31,603)
Grants and subsidies		(15,118)	(8,943)
GST paid to suppliers		(4,965)	(3,859)
GST remitted to ATO		(312)	(273)
Other		(5,036)	(3,542)
Net cash provided by operating activities		**(17,487)**	**6,829**
Cash flows from investing activities			
Outflows:			
Payments for property, plant and equipment	C5-1	-	(239)
Payments for intangibles	C4-1	-	(907)
Net cash used in investing activities		**-**	**(1,146)**
Cash flows from financing activities			
Inflows:			
Equity injections	C8-2	2	38
Net cash provided by financing activities		**2**	**38**
Net increase/(decrease) in cash and cash equivalents		(17,485)	5,721
Increase/(decrease) in cash and cash equivalents			
Cash and cash equivalents - opening balance		38,453	32,732
Cash and cash equivalents - closing balance	C1	**20,968**	**38,453**

The accompanying notes form part of these financial statements.

An explanation of major variances to budget is included in Note E1.

[1] The comparatives include financial results for the service areas impacted by the machinery-of-government changes effective from 1 November 2024 (refer to Note A3).

Department of the Premier and Cabinet
Notes to the Statement of Cash Flows
for the year ended 30 June 2026

Reconciliation of operating result to net cash provided by operating activities

	2026	2025
	$'000	$'000
Operating surplus/(deficit)	-	-
Non-cash items included in operating results:		
Depreciation and amortisation expense	428	196
Other non-cash items	-	(60)
Change in assets and liabilities:		
Increase/(decrease) in deferred appropriation payable to Consolidated Fund	(13,074)	8,816
(Increase)/decrease in trade debtors	(1,528)	(310)
(Increase)/decrease in other receivable	5	11
(Increase)/decrease in GST receivable	(225)	(47)
(Increase)/decrease in long service leave reimbursement receivables	133	(357)
(Increase)/decrease in annual leave reimbursement receivables	233	(165)
(Increase)/decrease in other current assets	(932)	(511)
Increase/(decrease) in payables	(2,032)	(1,693)
Increase/(decrease) in accrued employee benefits	434	284
Increase/(decrease) in other liabilities	(929)	665
Net cash provided by operating activities	**(17,487)**	**6,829**

Department of the Premier and Cabinet
Statement of Comprehensive Income by Major Departmental Services
for the year ended 30 June 2026

	Government Decision Support[1]		Government Service Delivery Implementation Support		Engagement and Events Support[1]		Governance Support and Advisory Services		Legislative Drafting and e-Publishing		Inter-departmental Services 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	2026 $'000	2025 $'000
Income														
Appropriation revenue	47,484	37,384	10,089	9,645	36,414	26,321	10,895	10,173	19,815	19,371	766	766	125,463	103,660
User charges and fees	307	135	88	41	817	831	1,852	1,842	173	60	1,744	1,744	4,981	4,653
Grants and contributions	208	6,019	60	-	397	251	77	-	94	-	-	-	836	6,270
Other revenue	10,476	6,656	67	112	4,166	864	86	141	119	202	-	-	14,914	7,975
Total income	**58,475**	**50,194**	**10,304**	**9,798**	**41,794**	**28,267**	**12,910**	**12,156**	**20,201**	**19,633**	**2,510**	**2,510**	**146,194**	**122,558**
Expenses														
Employee expenses	39,040	35,950	7,056	7,021	17,462	13,459	9,118	8,757	13,826	13,545	766	766	87,268	79,498
Supplies and services	9,210	11,458	2,655	2,176	18,090	7,779	3,096	2,776	5,365	5,125	1,744	1,744	40,160	31,058
Grants and subsidies	9,999	2,673	528	545	2,822	3,495	613	582	748	756	-	-	14,710	8,050
Depreciation and amortisation	99	11	28	10	60	10	36	4	205	161	-	-	428	196
Other expenses	127	102	37	46	3,360	3,524	47	37	57	46	-	-	3,628	3,756
Total expenses	**58,475**	**50,194**	**10,304**	**9,798**	**41,794**	**28,267**	**12,910**	**12,156**	**20,201**	**19,633**	**2,510**	**2,510**	**146,194**	**122,558**
Operating result for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-

The departmental services reflect the department's management structure as at 30 June 2026.

[1] The comparatives include financial results for the service areas impacted by the machinery-of-government changes effective from 1 November 2024 (refer to Note A3).

Department of the Premier and Cabinet
Statement of Assets and Liabilities by Major Departmental Services
as at 30 June 2026

	Government Decision Support		Government Service Delivery Implementation Support		Engagement and Events Support		Governance Support and Advisory Services		Legislative Drafting and e-Publishing		Total	
	2026	**2025**	**2026**	**2025**	**2026**	**2025**	**2026**	**2025**	**2026**	**2025**	**2026**	**2025**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Current assets												
Cash and cash equivalents	1,035	9,523	196	220	7,947	814	10,463	26,540	1,327	1,356	20,968	38,453
Receivables	3,797	3,612	148	118	713	401	1,295	516	337	265	6,290	4,912
Other current assets	878	633	1	-	5	3	2,187	1,613	424	314	3,495	2,563
Total current assets	**5,710**	**13,768**	**345**	**338**	**8,665**	**1,218**	**13,945**	**28,669**	**2,088**	**1,935**	**30,753**	**45,928**
Non-current assets												
Intangible assets	403	519	71	101	288	292	90	126	1,211	1,401	2,063	2,439
Property, plant and equipment	1	2	-	-	1	4	65	12	185	221	252	239
Total non-current assets	**404**	**521**	**71**	**101**	**289**	**296**	**155**	**138**	**1,396**	**1,622**	**2,315**	**2,678**
Total assets	**6,114**	**14,289**	**416**	**439**	**8,954**	**1,514**	**14,100**	**28,807**	**3,484**	**3,557**	**33,068**	**48,606**
Current liabilities												
Payables	3,550	3,606	71	137	7,764	829	13,261	34,972	251	400	24,898	39,944
Accrued employee benefits	1,467	1,374	185	122	540	376	546	483	436	385	3,174	2,740
Other current liabilities	261	871	13	-	51	-	15	-	25	-	365	871
Total current liabilities	**5,278**	**5,851**	**269**	**259**	**8,355**	**1,205**	**13,822**	**35,455**	**712**	**785**	**28,437**	**43,555**
Non-current liabilities												
Borrowings								-		-		-
Other non-current liabilities	-	422	-	-	-	-	-	-	-	-	-	422
Total non-current liabilities	**-**	**422**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**422**
Total liabilities	**5,278**	**6,273**	**269**	**259**	**8,355**	**1,205**	**13,822**	**35,455**	**712**	**785**	**28,437**	**43,977**

The departmental services reflect the department's management structure as at 30 June 2026.

Section A: Notes about the Department and this Financial Report

A1: Basis of Financial Statement Preparation

A1-1: General Information

The Department of the Premier and Cabinet (department) is a Queensland Government department established under the *Public Sector Act 2022.* The department is controlled by the State of Queensland, which is the ultimate parent. The head office and principal place of business of the department is 1 William Street, Brisbane QLD 4000. These financial statements cover the Department of the Premier and Cabinet for the period 1 July 2025 to 30 June 2026.

A1-2: Compliance with Prescribed Requirements

The Department of the Premier and Cabinet has prepared these general-purpose financial statements:

- in compliance with section 38 of the *Financial and Performance Management Standard 2019*
- in accordance with Australian Accounting Standards and Interpretations applicable to not-for-profit entities requirements
- in accordance with the minimum reporting requirements mentioned in the Financial Reporting Requirements for Queensland Government entities for reporting periods beginning on or after 1 July 2025 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.

A1-3: Presentation

Amounts included in the financial statements are in Australian dollars and rounded to the nearest $1,000 or, where that amount is $500 or less, to zero, unless disclosure of the full amount is specifically required. Due to rounding, totals may not add exactly.

Comparative information reflects the audited 2024-25 financial statements.

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’.

A1-4: Authorisation of Financial Statements for issue

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

A1-5: Basis of Measurement

Historical cost is used as the measurement basis in these financial statements, unless otherwise stated.

Under historical cost, assets are recorded at the amount of cash or cash equivalents paid to acquire assets at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

A2: Objectives and Principal Activities of the Department

The department serves the Premier and Cabinet and the people of Queensland. The department's vision is a public service that delivers for Queenslanders. Our role is to lead and connect the public sector to enable the delivery of government priorities.

The service areas within the department align with the following department objectives:

- Outstanding advice supporting good decision-making.
- Better service delivery for Queenslanders.
- An accountable and effective government.
- An informed and connected Queensland.
- An empowered, responsive and accountable department.

Through the department's strategic objectives, the department supports the Government's objectives for the community:

- Safety where you live: Making Queensland safer.
- A better lifestyle through a stronger economy: Growing our economy to drive down the cost of living and give Queenslanders a better lifestyle and a place to call home.
- Health services when you need them: Restoring health services when Queenslanders need them most.
- A plan for Queensland's future: Planning for Queensland's future.

The major services delivered by the department are as follows:

- Government Decision Support.
- Government Service Delivery Implementation Support.
- Governance Support and Advisory Services.
- Engagement and Events Support.
- Legislative Drafting and e-Publishing.

Administered items

Administered activities are those undertaken by departments on behalf of the government. The Department of the Premier and Cabinet administers funds on behalf of the State to enable the operation of ministerial offices and the Office of the Leader of the Opposition. The key clients are Ministers, Assistant Ministers, the Leader of the Opposition and their respective staff.

The services provided are:

- corporate support for ministerial offices and the Office of the Leader of the Opposition
- employment of staff members in accordance with the *Ministerial and Other Office Holder Staff Act 2010*
- maintenance of procedures to ensure the financial accountability of ministerial offices and the Office of the Leader of the Opposition is in accordance with the Queensland Ministerial Handbook and the Queensland Opposition Handbook.

These services are delivered by Ministerial Services which is part of the Governance Support and Advisory Services service area. Further information can be obtained by referring to the public reports of ministerial expenditure, tabled twice-yearly in Parliament. Administered activities were also undertaken for the Queensland Veterans' Council.

Financial statements and variance explanations in relation to administered items appear in the notes to the department's Financial Statements (refer to section F: Notes about Administered Activities).

A3: Machinery-of-Government Changes

There were no machinery-of-government changes effected the current year and the comparatives include the reallocation of budgeted appropriation as part of the machinery-of-government changes effected from 1 November 2024.

	Controlled 2025 $'000	Administered 2025 $'000
Transferred in		
Office for Veterans	4,115	
Queensland Veterans' Council Secretariat	791	
Office of the Cross-Border Commissioner	1,597	
Transferred out		
Office of First Nations Engagement and Innovation	770	
Office of the Queensland Integrity Commissioner		1,180

Department of the Premier and Cabinet
Notes to the Financial Statements
for the year ended 30 June 2026

Section B: Notes about our Financial Performance

B1: Revenue

B1-1: Appropriation Revenue

Reconciliation of payments from Consolidated Fund to appropriated revenue recognised in operating result.

	2026	2025
Appropriation Revenue	**$'000**	**$'000**
Original budgeted appropriation revenue	141,067	128,657
Transfers to other departments	-	3,737
Lapsed departmental services appropriation	(27,608)	(19,883)
Transfer to other headings	(1,070)	(36)
Total appropriation received (cash)	**112,389**	**112,475**
Plus: Opening balance of deferred appropriation payable to Consolidated Fund	35,035	26,220
Less: Closing balance of deferred appropriation payable to Consolidated Fund (expense)	(21,961)	(35,035)
Appropriation revenue recognised in the statement of comprehensive income	**125,463**	**103,660**

Appropriations provided under the *Appropriation Act 2025* are recognised as revenue when received. Where the department has an obligation to return unspent (or unapplied) appropriation receipts to Consolidated Fund at year end (a deferred appropriation repayable to Consolidated Fund), a liability is recognised with a corresponding reduction to appropriation revenue, reflecting the net appropriation revenue position with Consolidated Fund for the reporting period.

Amounts appropriated to the department for transfer to other entities in accordance with legislative or other requirements are reported as 'administered' item appropriations (refer to section F: Notes about our Administered Activities).

B1-2: User Charges and Fees

	2026	2025
	$'000	**$'000**
Revenue from contracts with customers		
Sales of goods/services	674	759
Corporate services partnership agreements	4,307	3,894
Total	**4,981**	**4,653**

User charges and fees controlled by the department are recognised as revenue when the department transfers control over a good or service to the customer and as each performance obligation is satisfied. This usually occurs upon the delivery of the goods or completion of the requested services to the customer at which time the invoice is raised.

Accrued user charges are recognised if the revenue has been earned but not yet invoiced.

User charges include transactions of $1.308M (2024-25: $1.160M) with related parties represented by other Queensland Government entities.

B1: Revenue (Cont'd)

B1-3: Grants and Contributions

	2026	2025
	$'000	$'000
Commonwealth contributions	-	6,019
Contributions from Queensland Government Departments	836	251
Total	**836**	**6,270**

The department has not received any grants and contributions to be recognised under *AASB 15 Revenue from contracts with customers*. Revenue is recognised upon receipt of the grant funding under *AASB 1058 Income of Not-for-Profit Entities.*

Contributions from Queensland Government departments are related party transactions.

B1-4: Other Revenue

	2026	2025
	$'000	$'000
Graduate program (1)	10,157	6,276
Sponsorships	2,211	664
Goods/Services received below fair value (2)	2,375	990
Other	171	45
Total	**14,914**	**7,975**

(1) The department receives payment for the DPC Future Leaders Graduate Program for graduates recruited under a two-year program. Revenue from the program is recognised when control has been transferred (when graduates are made available to participating agencies) and as each performance obligation is satisfied.

(2) The department recognises goods/services received below fair value only if the services would have been purchased if they had not been donated and their value can be measured reliably. Where this is the case, an equal amount is recognised as revenue with a corresponding expense. In 2025-26, the department recognised goods/services received below fair value for mobility arrangements (refer to Note B2-1) and archiving services (refer to Note B2-2).

The department received in-kind contributions from other Queensland Government Agencies of $2.375M (2024-25: $0.982M).

Other revenue includes transactions of $10.520M (2024-25: $6.537M) with related parties represented by other Queensland Government entities.

B2: Expenses

B2-1: Employee Expenses

	2026	2025
	$'000	$'000
Employee benefits		
Wages and salaries	65,966	60,664
Employer superannuation contributions	9,211	8,527
Annual leave levy	6,741	6,201
Long service leave levy	1,735	1,573
Termination benefits	121	1,135
Other employee benefits	950	1,081
Employee related expenses		
Workers' compensation premium	90	67
Other employee related expenses	447	250
Goods and services received below fair value	2,007	-
Total	**87,268**	**79,498**
Number of employees		
Full time equivalent (FTE) employees [1]	552	505
Total employees	**552**	**505**

[1] This includes 6 FTE (2024-25: 7) funded through contributions from the Commonwealth Government to support the State Service Delivery to Norfolk Island.

Wages and salaries are recognised based on the period where service has been received. The payments due but unpaid at reporting date are recognised at current salary rates. The department expects such liabilities to be settled within 12 months of reporting date.

Sick leave taken each reporting period is generally less than the entitlement accrued. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements has been recognised. As sick leave is non-vesting, an expense is recognised as sick leave is taken.

The department's 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.

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.

Defined benefit plan - The liability for defined benefits 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 for defined benefit plan obligations is based upon the rates determined on the advice of the State Actuary. Contributions are paid by the department at the specified rate following completion of the employee's service each pay period. The department's obligations are limited to those contributions paid.

Under the Queensland Government's Annual Leave Central Scheme (ALCS) and Long Service Leave Central Scheme (LSLCS), 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 quarterly in arrears. These schemes are administered by Queensland Treasury which is a related party.

The department pays premiums to WorkCover Queensland (which is a related party) in respect of its obligations for employee compensation. Workers' compensation insurance is a consequence of employing employees but is not counted in an employee's total remuneration package. It is not employee benefits and is recognised separately as employee related expenses.

The department undertakes a DPC Future Leaders Graduate Program which employed 140 graduates as at 30 June 2026 (2024-25: 97). The graduate FTE are included in the department totals stated. Key management personnel and remuneration disclosures are detailed in Note G-1.

B2: Expenses (Cont'd)

B2-2: Supplies and Services

	2026	2025
	$'000	$'000
Office accommodation and other building services [1]	9,884	10,648
Professional services	498	252
Consultants and contractors	3,270	2,573
Advertising and communications	9,910	4,631
Information technology bureau services	10,400	7,481
Outsourced corporate support	2,036	2,005
Hospitality and official functions	178	291
Travel	557	443
Venue hire	612	412
Telephone and communications support	166	143
Other	2,649	2,179
Total	**40,160**	**31,058**

For a transaction to be classified as supplies and services, the value of the goods and services received by the department must be approximately equal to the value of the consideration exchanged for those goods or services. Where this is not the substance of the arrangement, the transactions are classified as grants and subsidies in Note B2-3.

(1) Payments for non-specialised commercial office accommodation under the Queensland Government Accommodation Office (QGAO) framework. This includes non-lease arrangements with the Department of Housing and Public Works, which has substantive substitution rights over the assets used within this framework. Payments are expensed as incurred and categorised within office accommodation and other building services.

Supplies and services include transactions of $12.130M (2024-25: $13.743M) with related parties represented by other Queensland Government entities. Included in this amount is $10.336M (2024-25 $10.626M) for office accommodation at market rate charged by the Department of Housing and Public Works for the year ended 30 June 2026.

B2: Expenses (Cont'd)

B2-3: Grants and Subsidies

	2026	2025
	$'000	**$'000**
Recurrent		
Grants to private sector entities	457	-
Grants to government entities and not-for-profit entities	492	1,164
Total recurrent	**949**	**1,164**
Capital		
Grants to government entities and not-for-profit entities	933	984
Total capital	**933**	**984**
Subsidies		
Contributions	12,075	3,768
Donations and gifts made	753	2,134
Total subsidies	**12,828**	**5,902**
Total	**14,710**	**8,050**

Grants occur when a payment or contribution is made to an organisation or person in return for performance of a certain objective in compliance with certain terms and conditions, and which does not directly give approximately equal value in return to the department. A subsidy is a payment or contribution made to an organisation or person which is in essence, a form of financial assistance to reduce all or part of the costs of a recipient in meeting its own objectives.

Grants and subsidies are recognised when the obligation for a transfer of resources arises according to the terms of the funding agreement. Grants and subsides include transactions of $1.048M (2024-25: $3.279M) with related parties represented by other Queensland Government entities.

B2-4: Other Expenses

	2026	2025
	$'000	**$'000**
Sponsorships (1)	3,286	3,603
External audit fees (2)	106	108
Insurance premiums - QGIF	31	18
Special payments (3)	205	27
Total	**3,628**	**3,756**

(1) Sponsorship expenses represent payments made to various organisations under the Queensland Government Event Sponsorship Fund.

(2) Total audit fee quoted by the Queensland Audit Office (QAO) relating to the 2025-26 financial statements was $0.213M (2024-25: $0.216M). This fee includes an internal allocation of $0.106M (2024-25: $0.108M) for audit services to Ministerial Services.

(3) Special payment of $0.205M (2024-25: $0.027M) represents ex gratia expenditure that the department is not contractually or legally obligated to make to other parties. This payment is for the settlement of a commercial dispute.

Other expenses include transactions of $0.576M (2024-25: $0.456M) with related parties represented by other Queensland Government entities.

Section C: Notes about our Financial Position

C1: Cash and Cash Equivalents

	2026	2025
	$'000	$'000
Imprest accounts	-	1
Cash at bank and on hand	20,968	38,452
Total	**20,968**	**38,453**

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques receipted but not banked at 30 June 2026 as well as deposits at call with financial institutions.

C2: Receivables

	2026	2025
	$'000	$'000
Trade debtors	3,992	2,466
GST input tax credits receivable	618	395
Annual leave reimbursements	1,218	1,451
Long service leave reimbursements	456	589
Other receivables	6	11
Total current receivables	**6,290**	**4,912**

All current receivables are recognised at cost.

Settlement of trade debtors is generally required within 30 days from the invoice date for the department. Refer to Note D3 for further disclosure on financial risks of the department.

Annual Leave and Long Service Leave reimbursements represent the amounts recoverable from the whole-of-government ALCS and LSLCS that are claimed quarterly in arrears (refer to Note B2-1).

C3: Other Current Assets

	2026	2025
	$'000	$'000
Prepayments	925	603
Contract assets	2,570	1,960
Total	**3,495**	**2,563**

Contract assets arise from contracts with customers and are transferred to receivables when the department's right to payment becomes unconditional. This usually occurs when the invoice is issued to the customer.

C4: Intangibles and Amortisation Expense

	2026	2025
	$'000	$'000
Software internally generated		
At cost	6,907	6,847
Less: Accumulated amortisation	(4,844)	(4,468)
Carrying amount at 30 June	**2,063**	**2,379**
Software work in progress		
At cost	-	60
Carrying amount at 30 June	**-**	**60**
Total	**2,063**	**2,439**

C4-1: Intangible Assets Reconciliation

Represented by movements in carrying amount	Software Internally Generated		Software work in progress		Total	
	2026	2025	2026	2025	2026	2025
	$'000	$'000	$'000	$'000	$'000	$'000
Carrying amount at 1 July	2,379	1,613	60	293	2,439	1,906
Acquisitions	-	-	-	968	-	968
Transfers between classes	60	1,201	(60)	(1,201)	-	-
Transfers out to other Queensland Government entities	-	(264)	-	-	-	(264)
Amortisation	(376)	(171)	-	-	(376)	(171)
Carrying amount at 30 June	**2,063**	**2,379**	**-**	**60**	**2,063**	**2,439**

C4-2: Recognition and Measurement

Intangible assets with a historical cost equal to, or greater than, $100,000 are recognised in the financial statements. Items with a lesser value are expensed. Any preliminary research, planning phase costs, administration and training costs are expensed in the period in which it is incurred.

There is no active market for any of the department's intangible assets. As such, intangible assets are recognised and carried at historical cost less accumulated amortisation and accumulated impairment losses. Costs associated with the internal development of computer software are capitalised and amortised under the amortisation policy below.

C4-3: Amortisation Expense and Impairment

All intangible assets of the department have finite useful lives and are amortised on a straight-line basis over their estimated useful life.

Key judgement: Straight-line amortisation reflects the progressive, even consumption of future economic benefits over the assets' useful life to the department.

The residual value of intangible assets has been determined to be zero reflecting the estimated amount to be received on disposal at the end of their useful life.

C4: Intangibles and Amortisation Expense (Cont'd)

C4-3: Amortisation Expense and Impairment (Cont'd)

Key estimate: Intangible assets are amortised on a straight-line basis between 5-6% (2024-25: 5-6%). The estimation of useful life and resulting amortisation rates are based on several factors including the department's past experience, the planned replacement program and expected usage, obsolescence and fiscal capacity. Useful lives are reviewed on an annual basis.

Impairment

Intangible assets are assessed annually for impairment using a combination of external and internal impairment indicators. Intangible assets are principally assessed for impairment by reference to the actual and expected continuing use of the asset by the department. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss. Recoverable amount is determined as the higher of the asset's fair value less costs to sell and its value-in-use. An impairment loss is recognised immediately in the Statement of Comprehensive Income. If an indicator of possible impairment exists, management determine the asset's recoverable amount. No intangible assets were impaired at 30 June 2026.

C5: Property, Plant and Equipment and Depreciation Expense

	2026	2025
	$'000	$'000
At cost	489	425
Less: Accumulated depreciation	(237)	(186)
Carrying amount at 30 June	**252**	**239**
Total	**252**	**239**

C5-1: Property, Plant and Equipment Reconciliation

	2026	2025
Represented by movements in carrying amount	**$'000**	**$'000**
Carrying amount at 1 July	239	31
Acquisitions	65	239
Transfer out to other Queensland Government entities	-	(5)
Depreciation	(52)	(26)
Carrying amount at 30 June	**252**	**239**

C5-2: Recognition and Measurement

Items of plant and equipment with a historical cost exceeding $5,000 threshold in the year of acquisition are reported as plant and equipment. Items with lesser value are expensed in the year of acquisition.

Plant and equipment is measured at historical cost in accordance with Queensland Treasury's Non-Current Asset Policies for the Queensland Public Sector. The carrying amounts for such plant and equipment is not materially different from their fair value as the department does not hold significant levels of plant and equipment.

C5-3: Depreciation Expense and Impairment

Depreciation expense

Plant and equipment is depreciated on a straight-line basis so as to allocate the net cost of each asset, less any estimated residual value, progressively over its estimated useful life to the department.

Key judgement: Straight-line depreciation is used reflecting the progressive, even consumption of future economic benefits over their useful life to the department.

C5: Property, Plant and Equipment and Depreciation Expense (Cont'd)

C5-3: Depreciation Expense and Impairment (Cont'd)

For depreciable assets, residual value is determined to be zero reflecting the estimated amount to be received on disposal at the end of their useful life. Any expenditure that increases the originally assessed capacity or service potential of and asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to the department. Maintenance expenditure that merely restores original service potential (lost through ordinary wear and tear) is expensed.

Key estimate: Plant and equipment is depreciated on a straight-line basis between 14-33% (2024-25: 14-33%) The estimation of useful life and resulting depreciation rates are based on a number of factors including the department's past experience, the planned replacement program and expected usage, wear and tear, obsolescence and fiscal capacity. Useful lives are reviewed on an annual basis.

Impairment

Plant and equipment are assessed annually for impairment using a combination of external and internal impairment indicators. Plant and equipment are principally assessed for impairment by reference to the actual and expected continuing use of the asset by the department. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss. Recoverable amount is determined as the higher of the asset's fair value less costs to sell and its value-in-use. An impairment loss is recognised immediately in the Statement of Comprehensive Income. If an indicator of possible impairment exists, management determine the asset's recoverable amount. No assets were impaired at 30 June 2026.

C6: Payables

	2026	2025
	$'000	$'000
Deferred appropriation payable to Consolidated Fund	21,962	35,036
Trade creditors and accruals	2,718	4,342
Grants and subsidies payable	100	173
Other	118	393
Total	**24,898**	**39,944**

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the purchase contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and are recognised as a current liability. The amounts are normally paid within 30 days (20 days for small businesses).

C7: Accrued Employee Benefits

	2026	2025
	$'000	$'000
Long service leave levy payable	485	457
Annual leave levy payable	1,961	1,894
Accrued salaries and wages	728	389
Total	**3,174**	**2,740**

No provision for annual leave or long service leave is recognised in the department's financial statements as 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.*

Accrued salary and wages represent due but unpaid wages and salaries. They are recognised at current salary rates as it is expected these liabilities will be settled within 12 months of year end.

C8: Equity

C8-1: Contributed Equity

Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* specifies the principles for recognising contributed equity by the department. The following items are recognised as contributed equity by the department during the reporting and comparative years:

- appropriations for equity adjustments (refer to Note C8-2); and
- non-reciprocal transfers of assets and liabilities between wholly owned Queensland State Public Sector entities as a result of machinery-of-government changes (refer to Note A3).

C8-2: Appropriations Recognised in Equity

	2026 $'000	2025 $'000
Original budgeted equity adjustment appropriation	2	2
Transfers from/to other headings	-	36
Equity adjustment receipts (payments)	**2**	**38**
Less: opening balance of equity adjustment receivable	-	(36)
Plus: closing balance of equity adjustment receivable	-	-
Equity adjustment recognised in contributed equity	**2**	**2**

Section D: Notes about Risk and Other Accounting Uncertainties

D1: Contingencies

The department is insured with the Queensland Government Insurance Fund (QGIF). Under the QGIF, the department would be able to claim back, less a $10,000 deduction, the amount paid to successful litigants.

There are no litigation matters that may result in a future contingent liability for the department.

D2: Commitments

There were no capital commitments as at 30 June 2026.

D3: Financial Risk Disclosures

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the department becomes party to the contractual provisions of the financial instrument. No financial assets and financial liabilities have been offset and presented net in the Statement of Financial Position. The department has the following categories of financial assets and financial liabilities.

D3-1: Financial Instrument Categories

		2026	2025
Financial assets	**Note**	**$'000**	**$'000**
Cash and cash equivalents	C1	20,968	38,453
Receivables and other financial assets at amortised cost	C2	6,290	4,912
Total		**27,258**	**43,365**
Financial liabilities at amortised cost			
Payables	C6	24,898	39,944
Total		**24,898**	**39,944**

D3-2: Financial Risk Management

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

The department measures risk exposure using a variety of methods as follows:

Risk Exposure	Measurement Method
Credit risk	Ageing analysis, earnings at risk
Liquidity risk	Sensitivity analysis
Market risk	Interest rate sensitivity analysis

Credit risk

The department is exposed to credit risk in respect of its payables. There is no credit risk of the assets as at 30 June 2026.

Liquidity risk

The department is not exposed to material liquidity risk in respect of its payables. There is no material liquidity risk of the liabilities of the department as at 30 June 2026.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

The department does not trade in foreign currency and is not exposed to commodity price changes or other market prices.

D3: Financial Risk Disclosures (Cont'd)

D3-3: Financial Assets

The collectability of receivables is assessed periodically with an allowance for impairment being made where receivables are impaired. No financial assets have had their terms renegotiated so as to prevent them from being past due or impaired and are stated at the carrying amounts. Settlement of trade debtors is generally required within 30 days from the invoice date and any debts not paid within this settlement period are treated as overdue debts.

The department has not adopted the simplified approach under *AASB 9 Financial Instruments* and measures lifetime expected credit losses on all trade receivables and contract assets using a provision matrix approach as a practical expedient to measure the impairment provision.

The department has assessed each debtor individually for impairment. No debtors were impaired for 2025-26 (2024-25: nil).

D4: Events after the Balance Date

There are no matters of significance to the financial statements which occurred after 30 June 2026.

Section E: Notes on our Performance Compared to Budget

E1: Explanation of Major Variances

This section contains explanations of major variances between the department's actual 2025-26 financial results and the original budget presented to Parliament.

E1-1: Statement of Comprehensive Income

	Variance Notes	Budget 2026 $'000	Actual 2026 $'000	Variance 2026 $'000
Income from continuing operations				
Appropriation revenue	1	141,067	125,463	(15,604)
User charges and fees	2	3,948	4,981	1,033
Grants and contributions	3	1,546	836	(710)
Other revenue	4	10,517	14,914	4,397
Total income from continuing operations		**157,078**	**146,194**	**(10,884)**
Expenses from continuing operations				
Employee expenses		88,801	87,268	(1,533)
Supplies and services	5	29,854	40,160	10,306
Grants and subsidies	6	31,383	14,710	(16,673)
Depreciation and amortisation	7	555	428	(127)
Other expenses	8	6,485	3,628	(2,857)
Total expenses from continuing operations		**157,078**	**146,194**	**(10,884)**
Total comprehensive income		**-**	**-**	**-**

Variance notes:

1. The decrease in appropriation revenue is primarily due to:
   - transfer of funding to the Department of Housing and Public Works to support Early Intervention for Children ($7.5M), and to the Department of Sport, Racing and Olympic and Paralympic Games ($6M) to establish PCYC facilities in Pimpama and Beaudesert.

2. The increase in user charges and fees is primarily due to:
   - cost recoveries for IT services provided to the portfolio bodies ($0.582M)
   - additional contract management services relating to the whole-of-government arrangements ($0.488M).

3. The decrease in grants and other contributions is primarily due to:
   - lower contributions for events held during 2025–26 ($0.341M)
   - budgeted goods and services received below fair value recognised in other revenue ($0.929M)
   - partly offset by revenue received to support an inter-departmental cyber security project ($0.56M).

4. The increase in other revenue is primarily due to:
   - additional sponsorship and other revenue for events held during 2025-26 ($2.212M)
   - additional goods and services received below fair value recorded for mobility arrangements and archive services provided ($2.019M).

5. The increase in supplies and services is primarily due to:
   - additional expenditure relating to whole-of-government advertising campaigns including Statewide Delivery ($5.32M) and Queensland Day ($1.684M)
   - additional expenditure for ICT licences ($2.072M), ITMaaS transition and transformation project ($1.102M) and Cyber Security ($0.759M).

E1: Explanation of Major Variances (Cont'd)

E1-1: Statement of Comprehensive Income (Cont'd)

6. The decrease in grants and subsidies is primarily due to:
   - timing of anticipated expenditure for veterans' initiatives ($3.842M)
   - movements in Director-General's Reserve ($13.381M) to support various programs and initiatives and to provide whole-of-government contributions to charitable organisations, community groups and disaster appeals.

7. The decrease in depreciation and amortisation expenses is primarily due to reduced asset acquisitions in 2025-26.

8. The decrease in other expenses is primarily due to:
   - the timing of sponsorship commitments for the Events Sponsorship Fund that were to be completed in 2025-26, now deferred to 2026-27 ($3.805M)
   - partly offset by in-kind sponsorship for the Queensland Day program ($0.881M).

E1: Explanation of Major Variances (Cont'd)

E1-2: Statement of Financial Position

	Variance Notes	Budget 2026 $'000	Actual 2026 $'000	Variance 2026 $'000
Current assets				
Cash and cash equivalents	9	6,169	20,968	14,799
Receivables	10	5,407	6,290	883
Other current assets	11	1,065	3,495	2,430
Total current assets		**12,641**	**30,753**	**18,112**
Non-current assets				
Intangible assets	12	1,802	2,063	261
Property, Plant and equipment	13	3	252	249
Total non-current assets		**1,805**	**2,315**	**510**
Total assets		**14,446**	**33,068**	**18,622**
Current liabilities				
Payables	14	6,601	24,898	18,297
Accrued employee benefits	15	2,666	3,174	508
Other current liabilities	16	628	365	(263)
Total current liabilities		**9,895**	**28,437**	**18,542**
Non-current liabilities				
Other non-current liabilities		-	-	-
Total non-current liabilities		**-**	**-**	**-**
Total liabilities		**9,895**	**28,437**	**18,542**
Net assets		**4,551**	**4,631**	**80**
Equity				
Contributed equity		-	111	111
Accumulated surplus		4,551	4,520	(31)
Total equity		**4,551**	**4,631**	**80**

Variance notes:

9. Refer to the Budget to Actual comparison in the Statement of Cash Flows (Note E1-3).

10. The increase relates to timing of receipts in trade debtors ($0.410M), higher ALCS and LSLCS receivables ($0.238M) and higher GST receivable ($0.270M).

E1: Explanation of Major Variances (Cont'd)

E1-2: Statement of Financial Position (Cont'd)

11. The increase relates to the timing of recoverable services supporting Ministerial Offices ($1.034M), the Public Sector Commission ($0.268M), the Office of the Governor ($0.144M) and amounts owed from participating agencies for the Future Leaders Graduate Program ($0.983M).

12. The increase primarily reflects a higher than anticipated closing balance of intangible assets due to lower than budgeted amortisation.

13. The increase relates to acquisitions for the year ($0.065m) and lower depreciation ($0.183M).

14. The increase is primarily due to the appropriation payable for funding deferrals to 2026-27, as outlined in B1-1.

15. The increase primarily relates to an increase in annual leave and long service leave payable ($0.417M) and accrued salaries and wages ($0.091M), due to additional FTE through the Future Leaders Graduate Program.

16. The decrease is primarily due to a decrease in unearned revenue for the Future Leaders Graduate Program ($0.190M) and SAP4Hana implementation ($0.110M).

E1: Explanation of Major Variances (Cont'd)

E1-3: Statement of Cash Flows

	Variance Notes	Budget 2026 $'000	Actual 2026 $'000	Variance 2026 $'000
Cash flows from operating activities				
Inflows:				
Service appropriation receipts	17	141,067	112,389	(28,678)
User charges and fees	18	4,118	3,674	(444)
Grants and contributions	19	617	816	199
GST input tax credits from ATO		-	4,498	4,498
GST collected from customers		-	463	463
Other	20	16,934	13,272	(3,662)
Outflows:				
Employee expenses		(88,699)	(87,364)	1,335
Supplies and services	21	(35,281)	(39,804)	(4,523)
Grants and subsidies	22	(31,383)	(15,118)	16,265
GST paid to suppliers		-	(4,965)	(4,965)
GST remitted to ATO		-	(312)	(312)
Other	23	(6,717)	(5,036)	1,681
Net cash provided by operating activities		**656**	**(17,487)**	**(18,143)**
Cash flows from investing activities				
Outflows:				-
Payments for plant and equipment	24	(374)	-	374
Net cash used in investing activities		**(374)**	**-**	**374**
Cash flows from financing activities				
Inflows:				
Equity injections		-	2	2
Outflows:				
Equity withdrawals		2	-	(2)
Net cash provided by financing activities		**2**	**2**	**-**
Net increase/(decrease) in cash and cash equivalents		**284**	**(17,485)**	**(17,769)**
Cash and cash equivalents at beginning of financial year		5,885	38,453	32,568
Cash and cash equivalents at end of financial year		**6,169**	**20,968**	**14,799**

Variance notes:

17. Decrease in cash flows is primarily due to funding returned to the Consolidated Fund as outlined in Note B1-1.
18. The decrease is primarily due to timing of receipts as outlined in Note 2.
19. The increase is primarily due to timing of receipts as outlined in Note 3.
20. The decrease relates to the timing in collection of receivables as outlined in Note 4.

E1: Explanation of Major Variances (Cont'd)

E1-3: Statement of Cash Flows (Cont'd)

21. The increase is primarily due to:
    - additional expenditure relating to whole-of-government advertising campaigns including Statewide Delivery ($5.32M) and Queensland Day ($1.684M)
    - additional expenditure for ICT licences ($2.072M), ITMaaS transition and transformation project ($1.102M) and Cyber Security ($0.759M).

22. The decrease is primarily due to:
    - timing of anticipated expenditure for veterans' initiatives ($3.842M)
    - movements in Director-General's Reserve ($13.381M) to support various programs and initiatives and to provide whole-of-government contributions to charitable organisations, community groups and disaster appeals.

23. The decrease is primarily due to:
    - the timing of sponsorship commitments for the Events Sponsorship Fund due to be completed in 2025-26, now deferred to 2026-27 ($3.805M)
    - partly offset by in-kind sponsorship for the Queensland Day program ($0.881M).

24. The decrease predominantly relates to lower than anticipated acquisitions for internally developed software assets (refer Note 12) and plant and equipment (refer Note 13).

Department of the Premier and Cabinet
Notes to the Financial Statements
for the year ended 30 June 2026

Section F: Notes about our Administered Activities

F1: Schedule of Administered Income, Expenses, Assets and Liabilities

F1-1: 2025-26 Financial Information

	Ministerial Offices and Office of the Leader of the Opposition	Queensland Veterans' Council	Office of the Queensland Integrity Commissioner [2]	Total
	$'000	$'000	$'000	$'000
Administered income				
Appropriation revenue (Note F1-4) [1]	71,799	4,630	62	76,491
Other revenue	1,545	-	-	1,545
Total administered income	**73,344**	**4,630**	**62**	**78,036**
Administered expenses				
Employee expenses	49,536	-	-	49,536
Supplies and services	23,594	-	-	23,594
Grants and subsidies (Note F1-3)	-	4,630	62	4,692
Depreciation and amortisation	91	-	-	91
Other expenses	123	-	-	123
Total administered expenses	**73,344**	**4,630**	**62**	**78,036**
Operating surplus/(deficit)	**-**	**-**	**-**	**-**
Administered assets				
Current				
Cash and cash equivalents	16,591	-	-	16,591
Receivables	779	-	-	779
Other current assets	578	-	-	578
Total current assets	**17,948**	**-**	**-**	**17,948**
Non-current				
Plant and equipment/Intangibles	135	-	-	135
Total non-current assets	**135**	**-**	**-**	**135**
Total assets	**18,083**	**-**	**-**	**18,083**
Administered liabilities				
Current				
Payables	5,424	-	-	5,424
Accrued employee benefits	1,968	-	-	1,968
Total current liabilities	**7,392**	**-**	**-**	**7,392**
Non-current				
Accrued employee benefits	6,031	-	-	6,031
Total non-current liabilities	**6,031**	**-**	**-**	**6,031**
Total liabilities	**13,423**	**-**	**-**	**13,423**
Net administered assets/liabilities	**4,660**	**-**	**-**	**4,660**

[1] This appropriation revenue is provided in cash via Queensland Treasury and funds activities/expenses that the department administers on behalf of the government.

[2] The appropriation revenue and grants expense relates to residual appropriation deferrals from 2024-25 as the Office of the Queensland Integrity Commissioner (OQIC) was establishing their own corporate support services following machinery-of-government changes effective from 1 November 2024.

F1: Schedule of Administered Income, Expenses, Assets and Liabilities (Cont'd)

F1-2: 2024-25 Financial Information

	Ministerial Offices and Office of the Leader of the Opposition	Queensland Veterans' Council [2]	Office of the Queensland Integrity Commissioner [2]	Total
	$'000	$'000	$'000	$'000
Administered income				
Appropriation revenue (Note F1-4) [1]	71,277	616	3,214	75,107
Other revenue	232	-	-	232
Total administered income	**71,509**	**616**	**3,214**	**75,339**
Administered expenses				
Employee expenses	49,023	-	-	49,023
Supplies and services	22,327	-	-	22,327
Grants and subsidies (Note F1-3)	-	616	3,214	3,830
Depreciation and amortisation	37	-	-	37
Other expenses	122	-	-	122
Total administered expenses	**71,509**	**616**	**3,214**	**75,339**
Operating surplus/(deficit)	**-**	**-**	**-**	**-**
Administered assets				
Current				
Cash and cash equivalents	12,373	616	462	13,451
Receivables	575	-	-	575
Other current assets	622	-	-	622
Total current assets	**13,570**	**616**	**462**	**14,648**
Non-current				
Plant and equipment/Intangibles	201	-	-	201
Total non-current assets	**201**	**-**	**-**	**201**
Total assets	**13,771**	**616**	**462**	**14,849**
Administered liabilities				
Current				
Payables	2,375	616	462	3,453
Accrued employee benefits	1,740	-	-	1,740
Total current liabilities	**4,115**	**616**	**462**	**5,193**
Non-current				
Accrued employee benefits	4,996	-	-	4,996
Total non-current liabilities	**4,996**	**-**	**-**	**4,996**
Total liabilities	**9,111**	**616**	**462**	**10,189**
Net administered assets/liabilities	**4,660**	**-**	**-**	**4,660**

(1) This appropriation revenue was provided in cash via Queensland Treasury and funds activities/expenses that the department administers on behalf of the government.

(2) As a result of the machinery-of-government changes effective from 1 November 2024, OQIC was transferred out to the Department of Justice and Queensland Veterans' Council (QVC) was transferred into the department from Department of Women, Aboriginal and Torres Strait Islander Partnerships and Multiculturalism (DWATSIPM).

F1: Schedule of Administered Income, Expenses, Assets and Liabilities (Cont'd)

F1-3: Grants and Subsidies

Grants and subsidies were paid to the following entities.

	2026	2025
	$'000	$'000
Queensland Veterans' Council	4,630	616
Office of the Queensland Integrity Commissioner	62	3,214
Total	**4,692**	**3,830**

F1-4: Reconciliation of Payments from Consolidated Fund to Administered Revenue

	2026	2025
	$'000	$'000
Budgeted appropriation	77,914	76,364
Transfers from/to other departments	-	(754)
Transfer from/to other headings	1,070	-
Lapsed appropriation	-	(34)
Total administered receipts	**78,984**	**75,576**
Non-cash operating transfer to appropriation	-	335
Less: Opening balance of appropriation revenue receivable	-	(46)
Plus: Opening balance of deferred appropriation payable	758	-
Less: Closing balance of deferred appropriation payable	(3,251)	(758)
Appropriation revenue recognised in the statement of comprehensive income	**76,491**	**75,107**

F1-5: Significant Accounting Policy

Relevant significant accounting policies for Administered activities are in line with those stated under the department's notes to the Financial Statements (refer to Note A1).

Queensland Ministerial Handbook and Queensland Opposition Handbook include requirements for the financial accountability of Ministerial Offices and the Office of Leader of Opposition (refer to Note A2).

F1: Schedule of Administered Income, Expenses, Assets and Liabilities (Cont'd)

F2: Administered Activities - Budget to Actual Comparison and Variance Analysis

This section contains explanations of major variances between the department's actual 2025-26 financial results and the original budget presented to Parliament.

F2-1: Income and Expenses

	Variance Notes	Budget 2026 $'000	Actual 2026 $'000	Variance 2026 $'000
Administered income				
Appropriation revenue		77,914	76,491	(1,423)
Other revenue	1	-	1,545	1,545
Total administered income		**77,914**	**78,036**	**122**
Administered expenses				
Employee expenses		50,834	49,536	(1,298)
Supplies and services	1	22,244	23,594	1,350
Grants and subsidies		4,586	4,692	106
Depreciation and amortisation	2	146	91	(55)
Other expenses	3	104	123	19
Total administered expenses		**77,914**	**78,036**	**122**
Operating surplus/(deficit)		**-**	**-**	**-**

Variance notes:

1. The variance is primarily due to in-kind revenue and expenditure related to Queensland State Archives ($1.544M).

2. The decrease in depreciation is primarily due to lower than anticipated capital expenditure resulting in lower depreciation ($0.055M).

3. The increase is primarily due to additional audit fees ($0.012M).

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F2: Administered Activities - Budget to Actual Comparison and Variance Analysis (Cont'd)

F2-2: Assets and Liabilities

	Variance Notes	Budget 2026 $'000	Actual 2026 $'000	Variance 2026 $'000
Administered assets				
Current				
Cash and cash equivalents		17,213	16,591	(622)
Receivables	4	889	779	(110)
Other current assets	5	478	578	100
Total current assets		**18,580**	**17,948**	**(632)**
Non-current				
Plant and equipment/Intangibles	6	210	135	(75)
Total non-current assets		**210**	**135**	**(75)**
Total assets		**18,790**	**18,083**	**(707)**
Administered liabilities				
Current				
Payables	7	2,045	5,424	3,379
Accrued employee benefits	8	2,974	1,968	(1,006)
Total current liabilities		**5,019**	**7,392**	**2,373**
Non-current				
Accrued employee benefits	8	9,111	6,031	(3,080)
Total non-current liabilities		**9,111**	**6,031**	**(3,080)**
Total liabilities		**14,130**	**13,423**	**(707)**
Net administered assets		**4,660**	**4,660**	**-**
Total administered equity		**4,660**	**4,660**	**-**

Variance notes:

4. The decrease is primarily due to reductions in the balance of ALCS and LSLCS receivables ($0.072M) and timing of receipts from customers ($0.035M).

5. The increase is primarily related to higher prepaid ICT contracts and subscriptions at year end.

6. The decrease is primarily due to lower capital expenditure due to the move to managed service arrangements for IT infrastructure.

7. The increase relates to an increase in deferred appropriation payable ($2.555M) and an increase in trade creditors at year end.

8. The decrease is primarily related to a recalculation of severance liability for Ministerial and Opposition staff members following the change of government and the movement between current and non-current liabilities.

Section G: Other Information

G1: Key Management Personnel (KMP)

G1-1: Details of Key Management Personnel

The department's responsible Minister is identified as part of the department's KMP, consistent with additional guidance included in the revised version of AASB 124 *Related Party Disclosures.* That Minister is the Premier and Minister for Veterans.

The following details for non-ministerial KMP include those positions that had authority and responsibility for planning, directing and controlling the activities of the department during 2025-26 and 2024-25. Further information on these positions can be found in the body of the Annual Report.

Position	Responsibilities
Director-General	The Director-General leads the efficient, effective, and economic administration and performance of the department.
Associate Director-General, The Cabinet Office	The Associate Director-General, The Cabinet Office provides strategic policy advice and insights to support government decisions on key social, economic, law and justice, and environment and planning policy. The role is responsible for ensuring outstanding Cabinet and parliamentary support and whole-of-government performance management and reporting. The role also drives the government's objectives in intergovernmental forums and initiatives.
Associate Director-General, Governance and Engagement	The Associate Director-General, Governance and Engagement leads the provision of advice to the Premier and the public sector on constitutional, legal, executive government and public administration matters. The role is also responsible for whole-of-government sponsorship, communication and engagement activities and overseeing the delivery of events including State Occasions, official visits and functions. The role oversees support for the veterans' community, partners and stakeholders.
Queensland Parliamentary Counsel	The Office of the Queensland Parliamentary Counsel is an independent statutory office that supports Queensland's democracy and the rule of law by delivering Queensland legislation that is effective, accessible and consistent with fundamental legislative principles.
Associate Director-General, Implementation	The Associate Director-General, Implementation is responsible for improving outcomes in existing programs and implementing new and improved approaches according to government priorities. The role also provides strategic insights and foresights and drives delivery of the government's commitments.
Deputy Director-General, Corporate	The Deputy Director-General, Corporate is responsible for the department's corporate capability and governance arrangements, which underpin and support performance, and achievement of the department's strategic objectives. The role oversees the development and management of the department's people, technology and financial resources with a focus on risk management, business resilience and continuous improvement. The role is also responsible for the delivery of corporate support services to Ministerial Offices and the Office of the Leader of the Opposition.
Executive Director, Office of the Director-General	The Executive Director, Office of the Director-General manages the Office of the Director-General.
Chief Executive Officer, Office of First Nations Engagement and Innovation (1)	The Chief Executive Officer, Office of First Nations Engagement and Innovation embraces First Nations' people and communities across Queensland to inform innovative and culturally inclusive decisions and service delivery.

(1) As a result of the machinery-of-government changes effective from 1 November 2024, Office of First Nations Engagement and Innovation transferred out to DWATSIPM.

G1: Key Management Personnel (KMP) (Cont'd)

G1-2: Related Party Transactions

Transactions with people/entities related to KMP

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. These transactions have not been separately disclosed in this note.

Transactions with related parties of the entity have occurred within normal customer or supplier relationships on terms and conditions no more favourable than those which it is reasonable to expect the entity would have entered into on an arm's-length basis. No KMP related party transactions were entered into during the financial year.

Transactions with other Queensland Government controlled entities

The department's primary ongoing source of funding from Government for its services are appropriation revenue (Note B1-1) which is provided in cash via Queensland Treasury.

The entity transacts with other Queensland Government controlled entities consistent with normal day-to-day business operations provided under normal terms and conditions. Where transactions with other Queensland Government controlled entities are considered individually significant or material, these have been disclosed as related party transactions in the relevant notes as follows.

Note B1-2: User Charges and Fees
Note B1-4: Other Revenue
Note B2-2: Supplies and Services
Note B2-3: Grants and Subsidies
Note B2-4: Other Expenses

G1-3: KMP Remuneration Policies

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Services 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 Queensland Treasury's Report on State Finances.

Remuneration for the department's other KMP is set by the Queensland Public Sector Commission as provided under the *Public Sector Act 2022.* Individual remuneration and other terms of employment are specified in employment contracts.

Remuneration expenses for KMP comprise the following components:

1. Short term employee expenses which 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 provision of minor benefits together with fringe benefits tax applicable to the benefit.

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

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

4. 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.

The remuneration package for the Director-General or other KMP does not provide for any performance or bonus payments.

G1-4: Remuneration Expense

The following disclosures focus on the expenses incurred by the department attributable to non-Ministerial KMP during the respective reporting periods. The amounts disclosed reflect expenses recognised in the statement of comprehensive income.

G1: Key Management Personnel (KMP) (Cont'd)

G1-4: Remuneration Expense (Cont'd)

Position (Classification) 1 July 2025 to 30 June 2026	Employee Expenses					
	Short Term		Long Term	Post	Termination Benefits	Total
	Monetary Expenses	Non-Monetary Benefits				
	$'000	$'000	$'000	$'000	$'000	$'000
Director-General	708	26	18	86	-	**838**
Acting Associate Director General, the Cabinet Office (1 July 2025 to 15 February 2026)	259	8	7	33	-	**307**
Associate Director General, the Cabinet Office (16 February to 30 June 2026)	166	5	4	19	-	**194**
Associate Director General, Governance and Engagement	387	12	10	48	-	**457**
Queensland Parliamentary Counsel	409	14	10	51	-	**484**
Associate Director General, Implementation Division (1 July 2025 to 6 April 2026)	251	9	6	31	-	**297**
Acting Associate Director General, Implementation Division (7 April to 30 June 2026)	100	3	3	13	-	**119**
Acting Deputy Director-General, Corporate (1 July to 2 November 2025) [1]	133	4	-	14	-	**151**
Acting Deputy Director-General, Corporate (3 November 2025 to 30 June 2026)	158	8	4	19	-	**189**
Executive Director, Office of the Director General	237	12	6	29	-	**284**
Total Remuneration	**2,808**	**101**	**68**	**343**	**-**	**3,320**

[1] The Acting Deputy Director-General, Corporate was appointed to the substantive position on 14 October 2025. On 3 November 2025, the substantive holder commenced a secondment external to the department.

G1: Key Management Personnel (KMP) (Cont'd)

G1-4: Remuneration Expense (Cont'd)

Position (Classification) 1 July 2024 to 30 June 2025	Employee Expenses					
	Short Term		Long Term	Post	Termination Benefits	Total
	Monetary Expenses	Non-Monetary Benefits				
	$'000	$'000	$'000	$'000	$'000	$'000
Director-General (23 December 2024 to 30 June 2025)	379	7	9	45	-	**440**
Acting Director-General (28 October to 20 December 2024)	110	2	3	13	-	**128**
Director-General (1 July to 28 October 2024)	244	4	6	35	397	**686**
Acting Associate Director General, the Cabinet Office (4 April to 30 June 2025)	77	3	2	9	-	**91**
Associate Director General, the Cabinet Office (1 July 2024 to 3 April 2025)	369	9	8	41	301	**728**
Associate Director General, Governance and Engagement	405	12	10	48	-	**475**
Queensland Parliamentary Counsel	383	13	10	51	-	**457**
Associate Director General, Implementation Division	323	12	9	43	-	**387**
Chief Executive Officer, Office of First Nations Engagement and Innovations (1 July to 31 October 2024) [(1)]	154	4	4	19	-	**181**
Acting Deputy Director-General, Corporate Services (7 April to 30 June 2025)	76	3	-	8	-	**87**
Deputy Director-General, People and Services (1 July 2024 to 3 April 2025)	258	9	6	29	229	**531**
Executive Director, Office of the Director General (20 May to 30 June 2025)	28	1	1	3	-	**33**
Total Remuneration	**2,806**	**79**	**68**	**344**	**927**	**4,224**

[(1)] As a result of the machinery-of-government changes effective from 1 November 2024, Office of First Nations Engagement and Innovation transferred out of the department.

G2: First Year Application of New Accounting Standards or Change in Accounting Policy

The department did not voluntarily change any of its accounting policies during 2025-26.

Accounting standards early adopted

No Australian Accounting Standards have been early adopted for 2025-26 by the department.

Accounting standards applied for the first time

No new accounting standards, interpretations or policies that apply to the department for the first time in 2025-26 had any material impact on the financial statements.

Future impact of accounting standards not yet effective

At the date of authorisation of the financial statements, the expected impacts of new or amended Australian Accounting Standards issued but with future effective dates are set out below:

AASB 18 *Presentation and Disclosure in Financial Statements*

AASB 18 applies to not-for-profit public sector entities for annual reporting periods beginning on or after 1 January 2028, which will be the 2028-29 financial year for the department. This standard sets out new requirements for the presentation of the Statement of Comprehensive Income, requires new disclosures about management-defined performance measures and removes existing options in the classification of interest received and interest paid in the Statement of Cash Flows.

The Australian Accounting Standards Board (AASB) is aware that there are issues that need to be clarified in applying AASB 18 new requirements to not-for-profit entities. The AASB expects to conduct outreach with not-for-profit and public sector entities to address these issues and expects that modifications to AASB 18 for application by these entities could take the form of guidance, exemptions and alternative requirements.

The department will assess the expected impacts of AASB 18 after the AASB has decided on the modifications applicable to not-for-profit public sector entities. AASB 18's changes will only affect presentation and disclosure; it will not affect the recognition or measurement of any reported amounts.

G3: Taxation

The department is exempt from income tax under the *Income Tax Assessment Act 1997* and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). FBT and GST are the only taxes accounted for by the department. Any GST credits receivable from, or GST payable to the ATO, are recognised in the statement of financial position, refer to Note C2.

The department is exempt from Queensland payroll tax. This exemption applies to Queensland Government Departments (excluding commercialised business units) effective from 1 July 2014.

G4: Agency transactions

There were no machinery-of-government changes in the current year (refer to Note A3), however the department continued to provide corporate services support to OQIC in 2025-26 (refer to Note F1-1) following the machinery-of-government change effected 1 November 2024. Total agency transactions for OQIC in the current year was $1.587M (2024-25: $6.873M).

G5: Climate Risk Disclosure

Whole-of-Government Climate Reporting

The State of Queensland, as the ultimate parent of the Sunshine Department, 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 the Queensland Government's approach to managing key Environmental, Social and Governance (ESG) risks and opportunities, including governance structures, major commitments and policies, and how these risks and opportunities are measured, monitored and managed across government. The QSR is supported by comprehensive datasets and data dictionaries. The QSR is available via Queensland Treasury's website at *https://www.treasury.qld.gov.au/programs-and-policies/queensland-sustainability-report*

Climate Risk Assessment

The department 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 for changes in asset useful lives, changes in the fair value of assets, impairment of assets, the recognition of provisions or the possibility of contingent liabilities.

The department has not identified any material climate-related risks relevant to the financial report at the reporting date.

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 the department.

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

Department of the Premier and Cabinet
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for the year ended 30 June 2026

Certificate of the Department of the Premier and Cabinet

These general purpose financial statements have been prepared pursuant to section 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 section 62(1)(b) of the Act we certify that in our opinion:

a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and

b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Department of the Premier and Cabinet for the financial year ended 30 June 2026 and of the financial position of the department at the end of that year.

The Director-General, as the Accountable Officer of the Department, acknowledges responsibility under s.7 and s.11 of the *Financial and Perfomance 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.

Damien Walker
Director-General
28 August 2026

Michael Phillips CPA
Chief Finance Officer
28 August 2026

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INDEPENDENT AUDITOR'S REPORT

To the Accountable Officer of the Department of the Premier and Cabinet

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of the Department of the Premier and Cabinet.

The financial report comprises the statement of financial position and statement of assets and liabilities by major departmental services as at 30 June 2026, the statement of comprehensive income, statement of changes in equity, statement of cash flows and statement 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 department's financial position as at 30 June 2026, and its financial performance and cash flows 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 department in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards.*

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

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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/ar4.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.

31 August 2026

Rachel Vagg
Auditor-General

Queensland Audit Office
Brisbane