

2021–22 Outcomes Report

Uniform Presentation Framework of the
Queensland Government – 30 June 2022



Outcomes Report - Overview and Analysis

Overview

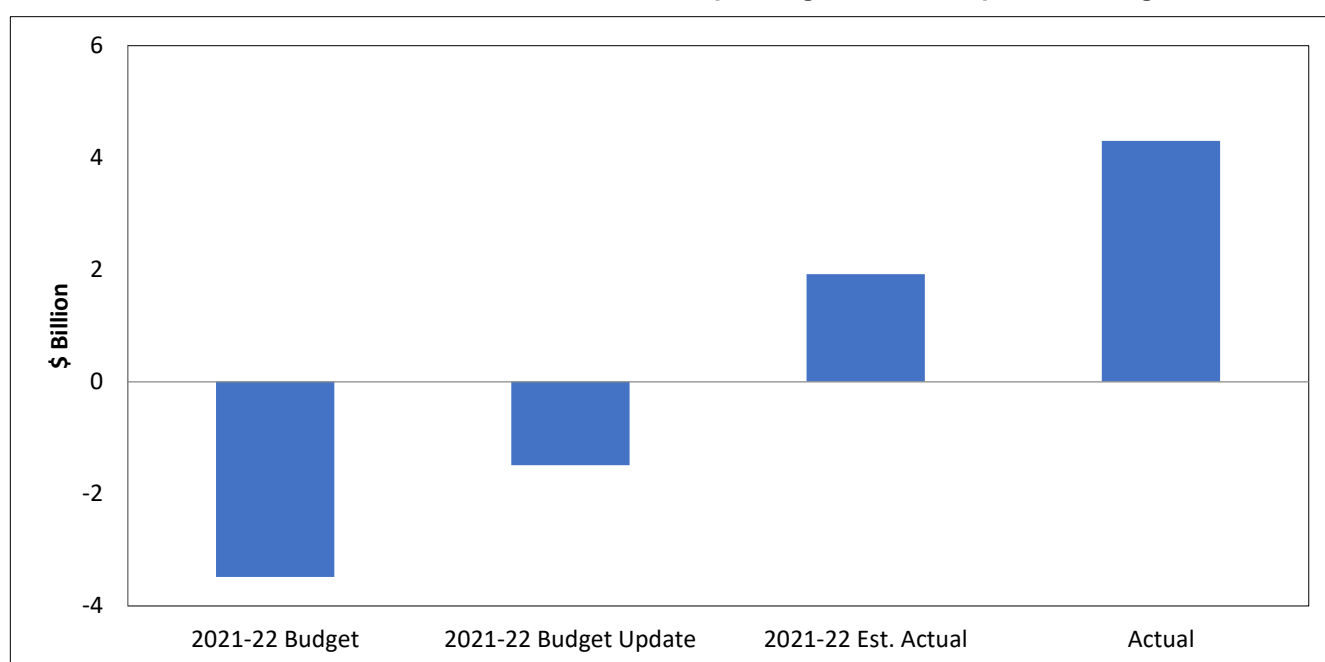
Queensland Government's sound financial management and strong health response throughout the COVID-19 pandemic has supported Queensland's swift economic recovery. As a result, the State's fiscal position in 2021-22 has improved substantially compared to the original 2021-22 Budget forecasts.

This result for 2021-22 provides an opportunity to start rebuilding buffers against significant emerging economic and financial risks.

The International Monetary Fund has downgraded the world economic outlook, and stronger than expected inflation is leading central banks to raise interest rates, while the consequences of the Russian invasion of Ukraine amplify uncertainty. A third La Niña event will no doubt present further challenges.

The General Government Sector (GGS) realised a Uniform Presentation Framework (UPF) net operating surplus of \$4.296 billion for 2021-22. Stronger revenue performance and lower than expected operating expenditure has resulted in a \$2.381 billion improvement in the net operating surplus relative to the estimated operating surplus of \$1.915 billion reported in the 2022-23 Budget, and a substantial turnaround relative to the original 2021-22 Budget operating deficit estimate of \$3.485 billion. Refer Chart 3.1.

Chart 3.1: 2021-22 General Government Sector UPF net operating balance compared to budget forecasts



Source: *Queensland State Budgets 2021-22 and 2022-23 and Queensland Report on State Finances 2021-22*

In 2021-22, GGS revenue totalled \$74.185 billion, up \$1.45 billion on the 2022-23 Budget estimated actual revenue of \$72.735 billion. The increase in revenue reflects the stronger rebound in both the Queensland and national economy in the first half of 2022, contributing to higher taxation revenue and GST receipts. Additional COVID-19 funding from the Australian Government under the National Partnership Agreement, together with higher than forecast tax equivalent income from the State's Government-owned electricity businesses also contribute to the increase in revenue.

The significant improvement in the operating position from 2021-22 Budget to 2021-22 Actual is attributable to much stronger revenue. In 2021-22, GGS revenue increased by over 18 per cent on the previous year, compared to average annual revenue growth of 6.1% over the previous decade. The highest single contributor was growth in other revenue, including royalties, which was over \$6 billion higher compared to the original budget. This was driven by unprecedented strength in coal prices which materialised from the second quarter of 2021.

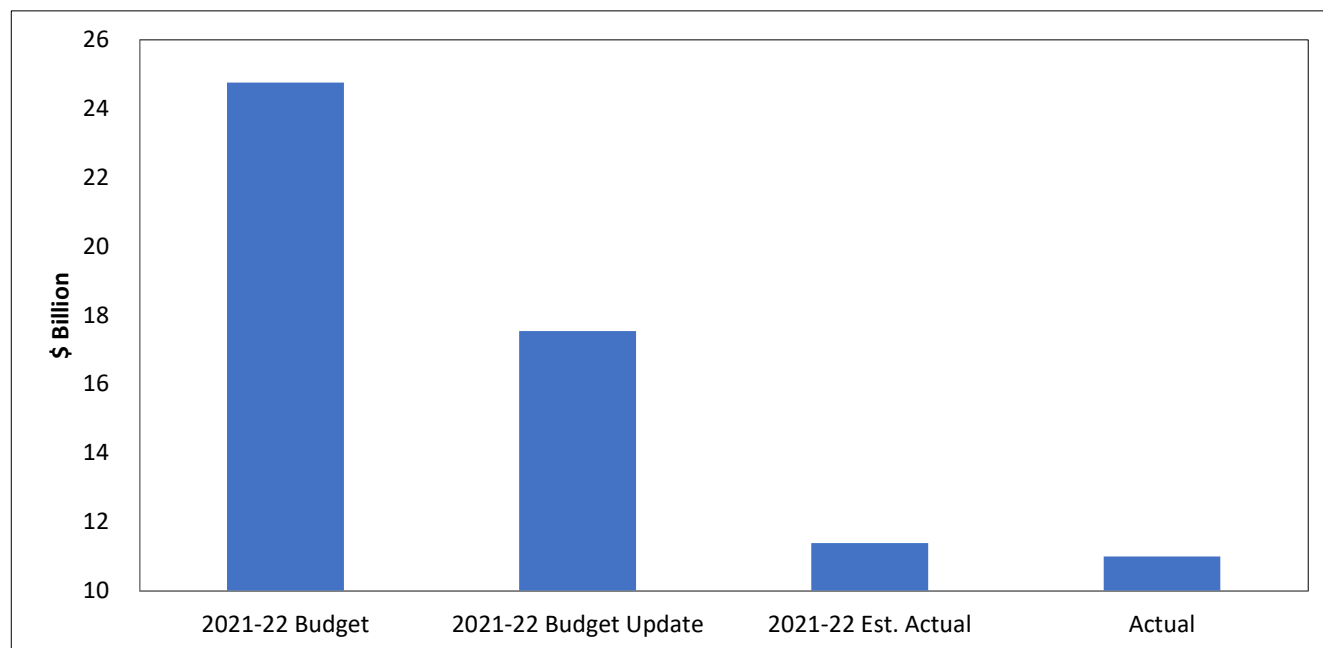
Lower GGS expenses also contributed to the improved fiscal position in 2021-22. GGS expenses totalled \$69.889 billion in 2021-22, \$931 million less than the 2022-23 Budget estimated actual. The decrease in expenses partly reflects lower than anticipated COVID-19 quarantine and compliance costs, lower than anticipated education expenses partially due to COVID-19 restrictions in the second half of 2021-22, timing of various grant programs and lower interest costs due to lower than expected borrowings.

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Overview continued

GGS net debt in 2021-22 is \$10.997 billion, a \$393 million improvement since the 2022-23 Budget. Refer Chart 3.2.

Chart 3.2: 2021-22 General Government Sector net debt compared to budget forecasts



Source: Queensland State Budgets 2021-22 and 2022-23 and Queensland Report on State Finances 2021-22

Net debt has strengthened significantly since the original 2021-22 Budget forecast of \$24.75 billion predominantly due to lower borrowing requirements as result of the improved operating cash flows and lower net debt rolling forward from the 2020-21 Outcome, with a significant contribution also coming from higher investments, loans and placements.

As at 30 June 2022, GGS borrowings totalled \$56.764 billion, \$1.451 billion lower than the 2022-23 Budget estimated actual. Lower borrowings are largely due to the improved net cash inflows from operating activities, partly offset by modestly higher than expected purchases of non-financial assets.

Non-financial Public Sector (NFPS) borrowings as at 30 June 2022 were \$116.252 billion, \$9.479 billion higher than the forecast in the 2022-23 Budget. In large part, the increase in NFPS borrowings reflects short-term upwards valuations to hedging contracts entered into by energy Government-owned corporations (GOCs) prior to an upward shift in electricity prices.

NFPS net debt is \$52.379 billion, largely consistent with the 2022-23 Budget forecast. The impact of higher securities and derivatives is to a large extent offset by the associated increase in the value of derivative assets held by energy GOCs, reducing the impact to NFPS net debt metric. These derivative assets and liabilities are expected to reverse over subsequent years as forward contracts unwind when electricity is delivered.

Fiscal principles

In the 2021-22 Queensland Budget, the Government set out its medium-term strategy for fiscal recovery, including a new Charter of Fiscal Responsibility. The aim of the Charter is to guide Budget strategy in the medium term in response to the fiscal challenges brought on by the COVID-19 pandemic. The Charter includes Fiscal Principles to support the delivery of net operating surpluses and the stabilisation of net debt.

Principle 1 – Stabilise the General Government Sector net debt to revenue ratio at sustainable levels in the medium term, and target reductions in the net debt to revenue ratio in the long term.

Net debt is a key fiscal measure of the overall strength of State's fiscal position and the net debt to revenue ratio indicates the Government's ability to service this debt.

Like other Australian jurisdictions, Queensland's strong public health response to the COVID-19 virus and its decision to prioritise economic recovery has resulted in an increase in gross borrowings and net debt. The Government is focussed on stabilising net debt in the medium term by restoring operating surpluses, as per Fiscal Principle 2.

Outcomes Report - Overview and Analysis

Fiscal principles continued

Queensland's net debt to revenue ratio was 15 per cent in 2021-22, a reduction from the 18 per cent ratio reported in the 2020-21 Outcome. The reduction in the GGS net debt to revenue ratio reflects the Government's prudent management of short term revenue uplifts to restore fiscal buffers, such as the investment of \$2.5 billion of the royalties windfall for future critical infrastructure.

Principle 2 – Ensure that average annual growth in General Government Sector expenditure in the medium term is below the average annual growth in General Government Sector revenue to deliver fiscally sustainable net operating surpluses.

Fiscal Principle 2 is designed to provide a broad measure of expenditure growth management. Delivering operating surpluses will assist debt stabilisation.

Queensland's net operating balance has improved substantially since the 2021-22 Budget, from an operating deficit of \$3.485 billion to an operating surplus of \$4.296 billion.

In 2021-22, revenues grew by 18.1 per cent and expenses by 9.7 per cent compared to 2020-21.

Principle 3 – Target continual improvements in net operating surpluses to ensure that, in the medium term, net cash flows from investments in non-financial assets (capital) will be funded primarily from net cash inflows from operating activities. The capital program will focus on supporting a productive economy, jobs and ensuring a pipeline of infrastructure that responds to population growth.

The capital program includes purchases of non-financial assets, capital grants and new finance leases and similar arrangements. The capital program delivered by the State Non-financial Sector in 2021-22 was \$14.294 billion, \$240 million higher than the estimated actual forecast in the 2022-23 Budget.

The Government's \$50 billion Infrastructure Guarantee has ensured the maintenance of a substantial capital program through the COVID-19 crisis and a capital program of \$59.126 billion is planned over the 4 years to 2025-26, as detailed in the 2022-23 Budget papers.

In 2021-22, the GGS net investments in non-financial assets were funded in full through net cash flows inflows from operating activities.

Principle 4 - Maintain competitive taxation by ensuring that, on a per capita basis, Queensland has lower taxation than the average of other states.

The fiscal principles will ensure that Queenslanders continue to pay less tax than Australians in other states and territories, providing a meaningful indication of the comparative impact of Queensland's tax regime and policies.

Based on the latest available data at the time of the 2022-23 Budget, Queensland's taxation per capita was \$647 less than the average of other jurisdictions in 2020-21.

Principle 5 - Target full funding of long term liabilities such as superannuation and WorkCover in accordance with actuarial advice

Consistent with the long-standing practice of successive governments, the Queensland Government is committed to ensuring that the State sets aside assets, on an actuarially determined basis, to meet long term liabilities such as superannuation and WorkCover. The latest full actuarial review of the QSuper scheme was as at 30 June 2021 and was published in a report dated 3 December 2021. The report found the scheme to be fully funded.

As at 30 June 2022, WorkCover Queensland was fully funded.

Outcomes Report - Overview and Analysis

Key UPF Financial Aggregates

Outlined in the table below are the key aggregates, by sector for 2021-22. The actual outcome for 2021-22 is compared to the estimated actual (Est. Actual) per the 2022-23 Budget.

	General Government Sector		Public Non-financial Corporations Sector		Non-financial Public Sector	
	Est. Actual \$ million	Outcome \$ million	Est. Actual \$ million	Outcome \$ million	Est. Actual \$ million	Outcome \$ million
Revenue	72,735	74,185	13,750	15,951	82,027	85,485
Expenses	70,820	69,889	13,212	14,888	79,766	80,335
Net operating balance	1,915	4,296	538	1,062	2,260	5,150
Capital purchases	7,533	7,889	3,055	3,134	10,588	11,140
Fiscal balance	(2,386)	(71)	266	601	(2,313)	205
Borrowing with QTC	50,451	49,000	42,148	41,851	92,599	90,851
Leases and similar arrangements	7,544	7,671	354	357	7,898	8,028
Securities and derivatives	220	93	6,064	17,288	6,277	17,374
Borrowings	58,215	56,764	48,566	59,495	106,774	116,252
Net Debt	11,390	10,997	41,029	41,389	52,412	52,379
Notes:						
1. Numbers may not add due to rounding.						
2. Non-financial Public Sector consolidates the General Government and Public Non-financial Corporations Sectors and excludes inter-sector transactions and balances.						

General Government Sector

Revenue

General Government Revenue	2021-22 Est. Actual \$ million	2021-22 Outcome \$ million
Taxation revenue	19,500	20,011
Grants revenue	33,376	34,135
Sales of goods and services	6,032	5,896
Interest income	2,561	2,643
Dividend and income tax equivalent income	672	790
Other revenue	10,594	10,710
Total Revenue	72,735	74,185
Note:		
1. Numbers may not add due to rounding.		

General Government revenue totalled \$74.185 billion in 2021-22, up \$1.45 billion or 2.0 per cent compared to the 2022-23 Budget estimated actual projection of \$72.735 billion.

The increase in revenue since the 2022-23 Budget reflects further strengthening in Queensland and national economic activity following the initial impacts of COVID-19.

Taxation revenue increased \$510 million due to higher transfer duty reflecting increases in both property transaction volumes and strong growth in dwelling prices as well as higher collections from large and non-residential transactions. Payroll tax revenue was also higher relative to the estimated actual forecast due to the strong labour market conditions in Queensland.

Outcomes Report - Overview and Analysis

Key UPF Financial Aggregates continued

General Government Sector continued

Revenue continued

Additional COVID-19 funding from the Australian Government under the National Partnership Agreement, and higher GST revenue due to growth in the national GST pool contribute to the \$759 million increase in grants revenue compared to the 2022-23 Budget estimated actual projection.

Expenses

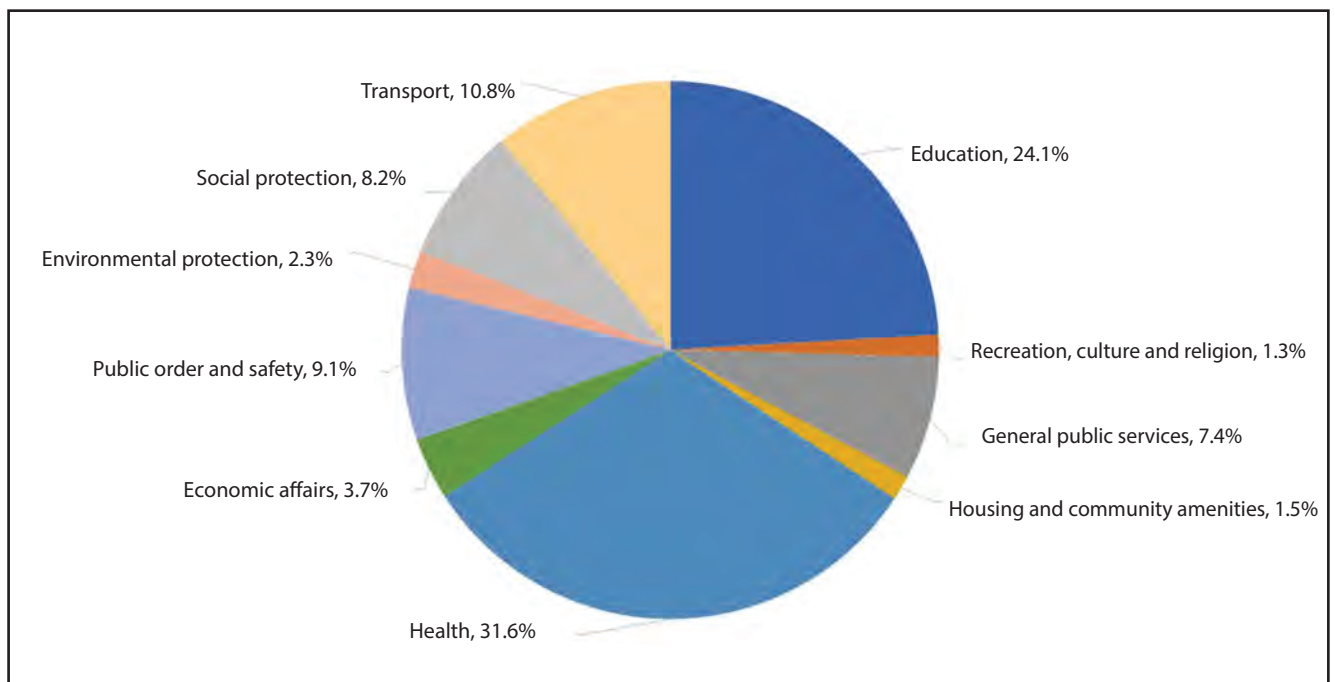
General Government Expenses	2021-22 Est. Actual \$ million	2021-22 Outcome \$ million
Employee expenses	27,931	28,068
Superannuation expenses		
Superannuation interest cost	378	377
Other superannuation expenses	3,421	3,387
Other operating expenses	19,002	18,228
Depreciation and amortisation	4,474	4,506
Other interest expenses	1,563	1,508
Grants expenses	14,051	13,817
Total Expenses	70,820	69,889
Note: 1. Numbers may not add due to rounding.		

Total GGS expenses for 2021-22 were \$931 million or 1.3 per cent lower than expected in the 2022-23 Budget.

The decrease in expenses partly reflects lower than anticipated COVID-19 quarantine and compliance costs, lower education expenses partially due to COVID-19 restrictions in the second half of 2021, timing of various grant programs and lower interest costs as a result of lower borrowing requirements.

GGS expenditure is focused on the delivery of core services to the community. As shown in Chart 3.4 below, education and health account for over half of the total expenses, consistent with their share in other jurisdictions.

Chart 3.3: 2021-22 General Government Sector expenses by function



¹ Refer to page 3-13 for further detail of expenses in each function.

Outcomes Report - Overview and Analysis

Key UPF Financial Aggregates continued

General Government Sector continued

Net Operating Balance

The net operating balance is the net of revenue and expenses from transactions and was an operating surplus of \$4.296 billion for 2021-22. There was a \$2.381 billion improvement on the \$1.915 billion operating surplus forecast at the time of the 2022-23 Budget, for the reasons discussed above.

Capital Purchases

GGs purchases of non-financial assets are the actual cash outlays per the Cash Flow Statement and totalled \$7.889 billion, which was \$356 million higher than the 2021-22 estimated actual and mostly relates to transport infrastructure.

Fiscal Balance

The fiscal deficit of \$71 million for 2021-22 was substantially smaller than the estimated actual projection of an \$2.386 billion deficit. The smaller than forecast fiscal deficit is mainly due to the improved net operating surplus.

Borrowing

Borrowings were \$56.764 billion, compared to the 2022-23 Budget projection of \$58.215 billion, a decrease of \$1.451 billion. The lower balance partly reflects the increase in cash flows from operating activities brought on by the rebound in revenues, and lower expenses. Not all of the improved operating position flows through as a corresponding decrease in borrowings, as some of the revenue improvement (e.g. transfer duty) had not been received at year end.

Net Worth

The GGS net worth was \$249.624 billion as at 30 June 2022, \$35.69 billion higher than the estimated actual included in the 2022-23 Budget. The increase is predominantly due to upward valuations of roads infrastructure, land under roads, public housing and school buildings.

Net Debt

Net debt is the sum of deposits held, advances received and borrowings (financial liabilities) less cash and deposits, advances paid and investments, loans and placements (financial assets). Financial liabilities exceeded financial assets in the GGS by \$10.997 billion at 30 June 2022, a \$393 million reduction in net debt from the 2022-23 Budget estimate of \$11.390 billion.

Net debt has decreased since the 2022-23 Budget due to lower borrowings from the improved net cash flows from operating activities partly offset by modestly higher capital purchases. Downward market valuations of investments, loans and placements, due to weakened market returns on underlying investments, offset to a large extent, the improvement in net debt from the lower borrowings.

Operating Result

The operating result measures the outcome for the State under the Accounting Standards framework, rather than the GFS framework. The GGS operating result of \$3.383 billion differs from the net operating balance as it includes valuation adjustments such as gains and losses on financial and non-financial assets. The operating result has improved \$901 million since the 2022-23 Budget reflecting the better than expected net operating surplus, offset in large part by downward market value adjustments to investments, loans and placements, inventory write downs and lower deferred tax revenue from PNFC and PFC sector entities.

Comprehensive Result - Total Change in Net Worth

The comprehensive result includes the revaluation of assets taken to reserves and actuarial adjustments to defined benefit superannuation liabilities.

The increase in the actual comprehensive result from the 2021-22 estimated actual is mainly due to significant upward valuations of non-financial assets and the improved operating result.

Outcomes Report - Overview and Analysis

Key UPF Financial Aggregates continued

Public Non-financial Corporations (PNFC) Sector

The Public Non-financial Corporations Sector comprises bodies such as Government-owned corporations (GOCs) that mainly engage in the production of goods and services (of a non-financial nature) for sale in the market place at prices that aim to recover most of the costs involved.

- The PNFC Sector recorded a net operating surplus of \$1.062 billion, \$524 million higher than the 2022-23 Budget forecast mainly due to higher than forecast revenue by electricity GOCs.
- The fiscal balance was a surplus of \$601 million, compared to an estimated surplus of \$266 million, reflecting the relative increase in the net operating surplus, offset to some extent, by higher net acquisitions of non-financial assets.
- PNFC borrowings with Queensland Treasury Corporation (QTC) were \$297 million lower than budgeted due to the improved fiscal balance. However, securities and derivative liabilities were \$17.288 billion at year end, \$11.224 billion higher compared to the 2021-22 estimated actual projection. Higher securities and derivatives were primarily driven by movements in the value of electricity hedging contracts entered into prior to an upward shift in market conditions within the electricity sector. These liabilities are expected to reverse over subsequent years as these contracts unwind as electricity is delivered.
- Net debt for the PNFC sector was \$41.389 billion, \$360 million higher than the 2022-23 Budget estimated actual forecast. The impact of higher derivative liabilities were to a large extent negated by the associated increase in electricity derivative assets, minimising the impact to the PNFC net debt metric.

State Financial Sector (SFS)

The State Financial Sector is the GFS terminology used for the consolidation of all State Government departments and other General Government entities, Public Non-financial Corporations, Public Financial Corporations and their controlled entities. The equivalent term for SFS used in the AASB 1049 section of this report is Total State Sector. All material inter-entity and intra-entity transactions and balances have been eliminated to the extent practicable.

- The net operating balance for 2021-22 was a surplus of \$1.344 billion.
- Purchases of non-financial assets for the SFS were \$11.146 billion.
- The SFS net worth was \$255.672 billion, an increase of \$53.962 billion compared to that published in the 2020-21 Outcomes Report. This was mainly due to non-financial asset revaluations, market value adjustments to QTC's external borrowings and actuarial adjustments to the superannuation liability.

2021 - 22 Operating Statement by Sector (\$ million)

	General Government Sector			Public Non-financial Corporations Sector			Non-financial Public Sector ^(b)			Public Financial Corporations Sector ^(b)		State Financial Sector
	Est. Actual	Outcome	Est. Actual	Outcome	Est. Actual	Outcome	Est. Actual	Outcome	Est. Actual	Outcome	Est. Actual	Outcome
Revenue from Transactions												
Taxation revenue	19,500	20,011	-	-	19,157	19,640	-	-	19,157	19,640	-	19,508
Grants revenue	33,376	34,135	734	687	33,401	34,148	-	-	33,401	34,148	-	34,034
Sales of goods and services	6,032	5,896	12,656	14,905	15,908	17,960	2,726	2,726	15,908	17,960	2,726	20,282
Interest income	2,561	2,643	52	66	2,609	2,703	3,467	3,467	2,609	2,703	3,467	1,188
Dividend and income tax equivalent income	672	790	-	-	51	49	-	-	51	49	-	-
Other revenue	10,594	10,710	308	293	10,900	10,984	179	179	10,900	10,984	179	11,164
Total Revenue from Transactions	72,735	74,185	13,750	15,951	82,027	85,485	6,372	6,372	82,027	85,485	6,372	86,176
Expenses from Transactions												
Employee expenses	27,931	28,068	2,241	2,245	30,044	30,177	398	398	30,044	30,177	398	30,242
Superannuation expenses	378	377	-	(5)	378	372	-	-	378	372	-	372
Superannuation interest cost	3,421	3,387	229	260	3,650	3,647	26	26	3,650	3,647	26	3,673
Other superannuation expenses	19,002	18,228	5,832	7,484	22,046	22,843	3,229	3,229	22,046	22,843	3,229	26,063
Depreciation and amortisation	4,474	4,506	2,859	2,719	7,333	7,225	25	25	7,333	7,225	25	7,250
Other interest expenses	1,563	1,508	1,606	1,610	2,959	2,905	6,336	6,336	2,959	2,905	6,336	4,064
Grants expenses	14,051	13,817	14	25	13,356	13,167	114	114	13,356	13,167	114	13,167
Other property expenses	-	-	431	550	-	-	49	49	-	-	49	-
Total Expenses from Transactions	70,820	69,889	13,212	14,888	79,766	80,335	10,178	10,178	79,766	80,335	10,178	84,832
Net Operating Balance	1,915	4,296	538	1,062	2,260	5,150	(3,806)	(3,806)	2,260	5,150	(3,806)	1,344
Other economic flows - included in operating result	567	(913)	(456)	(126)	(59)	(1,119)	3,384	3,384	(59)	(1,119)	3,384	16,227
Operating Result	2,482	3,383	82	936	2,201	4,030	(421)	(421)	2,201	4,030	(421)	17,571
Other economic flows - other movements in equity	1,827	36,616	(876)	(1,971)	2,108	35,970	10	10	2,108	35,970	10	36,391
Comprehensive Result - Total Change in Net Worth ^(d)	4,309	39,999	(793)	(1,035)	4,309	40,000	(411)	(411)	4,309	40,000	(411)	53,962
KEY FISCAL AGGREGATES												
Net Operating Balance	1,915	4,296	538	1,062	2,260	5,150	(3,806)	(3,806)	2,260	5,150	(3,806)	1,344
Net Acquisition/(Disposal) of Non-financial Assets												
Purchases of non-financial assets	7,533	7,889	3,055	3,134	10,588	11,140	6	6	10,588	11,140	6	11,146
Less Sales of non-financial assets	183	255	37	63	220	317	3	3	220	317	3	320
Less Depreciation	4,474	4,506	2,859	2,719	7,333	7,225	25	25	7,333	7,225	25	7,250
Plus Change in inventories	3	(77)	33	48	35	(29)	-	-	35	(29)	-	(29)
Plus Other movements in non-financial assets	1,422	1,315	80	60	1,503	1,376	6	6	1,503	1,376	6	1,382
Equals Total Net Acquisition of Non-financial Assets	4,302	4,367	272	462	4,573	4,945	(16)	(16)	4,573	4,945	(16)	4,929
Fiscal Balance	(2,386)	(71)	266	601	(2,313)	205	(3,790)	(3,790)	(2,313)	205	(3,790)	(3,585)

Notes:

- (a) Numbers may not add due to rounding and have been restated where necessary to ensure comparability.
(b) The Non-financial Public Sector (NFP) consolidates the GGS and FNFC Sectors, eliminating inter-sector balances and transactions such as dividend and income tax equivalent income. The State Financial Sector consolidates the NFP and the PFC Sectors.
(c) In accordance with UFF, estimates for Public Financial Corporations (PFC) and State Financial Sectors are not required in Budget documentation.
(d) For GFS, the change in Net Worth is the change from the previous published outcome. This differs from the AASB 1049 statements where prior year adjustments are permitted under FRS.

2021 - 22 Balance Sheet by Sector (\$ million)

	General Government Sector			Public Non-financial Corporations Sector			Non-financial Public Sector ^(b)			Public Financial Corporations Sector ^(b)			State Financial Sector		
	Est. Actual	Outcome	Est. Actual	Outcome	Est. Actual	Outcome	Est. Actual	Outcome	Est. Actual	Outcome	Est. Actual	Outcome	Est. Actual	Outcome	Est. Actual
Assets															
Financial assets															
Cash and deposits	981	1,710	925	1,162	1,906	2,872	1,906	2,872	5,401	6,481					
Advances paid	1,426	1,233	608	1,053	1,320	1,216	1,320	1,216	-	1,216					
Investments, loans and placements	45,265	44,135	6,123	15,926	51,387	60,060	51,387	60,060	172,701	107,585					
Receivables	3,284	4,166	2,260	2,624	4,954	5,958	4,954	5,958	439	6,329					
Equity															
Investments in other public sector entities	20,302	19,980	-	-	2,442	2,363	2,442	2,363	-	-					
Investments - other	164	165	7	6	171	171	171	171	-	171					
Total financial assets	71,422	71,389	9,922	20,770	62,179	72,640	62,179	72,640	178,542	121,782					
Non-Financial Assets															
Land and other fixed assets	248,729	282,272	64,619	64,642	313,347	346,914	313,347	346,914	145	347,059					
Other non-financial assets	6,375	10,065	1,420	5,926	1,174	1,259	1,174	1,259	277	1,249					
Total Non-financial Assets	255,104	292,337	66,039	70,568	314,521	348,173	314,521	348,173	422	348,308					
Total assets	326,526	363,726	75,962	91,338	376,701	420,813	376,701	420,813	178,964	470,089					
Liabilities															
Payables	4,926	5,488	1,412	2,472	5,798	7,182	5,798	7,182	100	7,244					
Superannuation liability	24,810	22,168	(273)	(400)	24,537	21,768	24,537	21,768	-	21,768					
Other employee benefits	9,220	9,026	934	927	10,154	9,953	10,154	9,953	174	10,127					
Deposits held	-	-	12	11	12	11	12	11	8,420	6,639					
Advances received	847	1,310	106	22	239	262	239	262	-	262					
Borrowing ^(d)	58,215	56,764	48,566	59,495	106,774	116,252	106,774	116,252	160,093	145,122					
Other liabilities	14,575	19,347	7,343	11,191	15,253	15,758	15,253	15,758	7,815	23,254					
Total liabilities	112,592	114,102	58,100	73,719	162,767	171,187	162,767	171,187	176,601	214,417					
Net Worth	213,934	249,624	17,861	17,619	213,934	249,625	213,934	249,625	2,363	255,672					
KEY FISCAL AGGREGATES															
Net Financial Worth	(41,170)	(42,713)	(48,178)	(52,949)	(100,587)	(98,547)	(100,587)	(98,547)	1,941	(92,635)					
Net Financial Liabilities	61,473	62,694	NA	NA	103,029	100,911	103,029	100,911	NA	92,635					
Net Debt	11,390	10,997	41,029	41,389	52,412	52,379	52,412	52,379	(9,590)	36,742					
Notes:															
(a) Numbers may not add due to rounding and have been restated where necessary to ensure comparability.															
(b) The Non-financial Public Sector (NFP) consolidates the GCS and FNFC Sectors, eliminating inter-sector balances and transactions such as dividend and income tax equivalent income. The State Financial Sector consolidates the NFP and the PFC Sectors.															
(c) In accordance with UFF estimates for Public Financial Corporations (PFC) and State Financial Sectors are not required in Budget documentation.															
(d) Borrowing line is comprised of															
Borrowing with QTC	50,451	49,000	42,148	41,851	92,599	90,851	92,599	90,851	-	-					
Leases and other similar arrangements	7,544	7,671	354	357	7,898	8,028	7,898	8,028	504	8,531					
Securities and derivatives	220	93	6,064	17,288	6,277	17,374	6,277	17,374	159,589	136,591					
	58,215	56,764	48,566	59,495	106,774	116,252	106,774	116,252	160,093	145,122					

2021 - 22 Cash Flow Statement by Sector (\$ million)

	General Government Sector		Public Non-financial Corporations Sector		Non-financial Public Sector ^(b)		Public Financial Corporations Sector ^(b)		State Financial Sector	
	Est. Actual	Outcome	Est. Actual	Outcome	Est. Actual	Outcome	Est. Actual	Outcome	Est. Actual	Outcome
Cash Receipts from Operating Activities										
Taxes received	20,758	20,766	-	-	-	20,416	-	20,400	-	20,273
Grants and subsidies received	33,915	34,377	717	676	33,928	34,390	-	34,276	-	34,276
Sales of goods and services	6,342	6,298	14,140	16,497	17,287	20,095	2,890	22,582	2,890	22,582
Interest receipts	2,587	2,638	52	66	2,634	2,698	3,467	1,183	3,467	1,183
Dividends and income tax equivalents	1,088	1,202	-	-	90	79	-	-	-	-
Other receipts	12,159	12,472	257	235	12,405	12,782	176	12,954	176	12,954
	76,848	77,753	15,166	17,474	86,759	90,445	6,533	91,269	6,533	91,269
Cash Payments for Operating Activities										
Payments for employees	(31,705)	(31,739)	(2,500)	(2,493)	(34,076)	(34,096)	(402)	(34,165)	(402)	(34,165)
Payments for goods and services	(21,002)	(20,506)	(7,813)	(8,941)	(25,611)	(26,640)	(1,953)	(28,640)	(1,953)	(28,640)
Grants and subsidies	(13,971)	(13,617)	(14)	(25)	(13,276)	(12,979)	(114)	(12,979)	(114)	(12,979)
Interest paid	(1,495)	(1,441)	(1,595)	(1,606)	(2,882)	(2,837)	(6,330)	(3,996)	(6,330)	(3,996)
Other payments	(1)	-	(866)	(976)	(599)	(570)	(285)	(820)	(285)	(820)
	(68,175)	(67,303)	(12,788)	(14,042)	(76,443)	(77,179)	(9,085)	(80,599)	(9,085)	(80,599)
Net Cash Flows from Operating Activities	8,674	10,451	2,378	3,432	10,316	13,266	(2,551)	10,669	(2,551)	10,669
Cash Flows from Investing Activities										
Non-financial Assets										
Purchases of non-financial assets	(7,533)	(7,889)	(3,055)	(3,134)	(10,588)	(11,140)	(6)	(11,146)	(6)	(11,146)
Sales of non-financial assets	183	255	37	63	220	317	3	320	3	320
	(7,351)	(7,635)	(3,018)	(3,071)	(10,368)	(10,823)	(3)	(10,826)	(3)	(10,826)
Financial Assets (Policy Purposes)	60	127	357	4	(23)	112	-	112	-	112
Financial Assets (Liquidity Purposes)	(3,470)	(3,889)	(1,169)	899	(4,640)	(2,990)	(13,563)	(13,041)	(13,563)	(13,041)
Net Cash Flows from Investing Activities	(10,761)	(11,397)	(3,830)	(2,168)	(15,030)	(13,701)	(13,567)	(23,755)	(13,567)	(23,755)
Net Cash Flows from Financing Activities										
Advances received (net)	(584)	(126)	(1)	(1)	(57)	(39)	-	(39)	-	(39)
Borrowing (net)	2,580	1,653	2,163	223	4,743	1,876	(5,394)	(3,518)	(5,394)	(3,518)
Dividends paid	-	-	(735)	(735)	-	(45)	(45)	-	(45)	-
Deposits received (net)	-	-	-	(1)	-	(1)	316	255	316	255
Other financing (net)	-	-	(209)	(705)	(297)	(776)	14,734	10,446	14,734	10,446
	1,995	1,527	1,218	(1,220)	4,389	1,061	9,611	7,145	9,611	7,145
Net Increase/(Decrease) in Cash Held	(92)	581	(234)	44	(326)	625	(6,507)	(5,942)	(6,507)	(5,942)
KEY FISCAL AGGREGATES										
Net cash from operating activities	8,674	10,451	2,378	3,432	10,316	13,266	(2,551)	10,669	(2,551)	10,669
Net cash from investments in non-financial assets	(7,351)	(7,635)	(3,018)	(3,071)	(10,368)	(10,823)	(3)	(10,826)	(3)	(10,826)
Dividends paid	-	-	(735)	(735)	-	(45)	(45)	-	(45)	-
Cash Surplus/(Deficit)	1,323	2,816	(1,375)	(375)	(52)	2,443	(2,600)	(157)	(2,600)	(157)
Derivation of ABS GFS Cash Surplus/Deficit										
Cash surplus/(deficit)	1,323	2,816	(1,375)	(375)	(52)	2,443	(2,600)	(157)	(2,600)	(157)
Acquisitions under finance leases and similar arrangements	(1,251)	(1,051)	(10)	(13)	(1,261)	(1,064)	(6)	(1,070)	(6)	(1,070)
ABS GFS Cash Surplus/(Deficit) Including Finance Leases and Similar Arrangements	72	1,765	(1,385)	(388)	(1,313)	1,379	(2,606)	(1,227)	(2,606)	(1,227)

Notes:

(a) Numbers may not add due to rounding and have been restated where necessary to ensure comparability.

(b) The Non-financial Public Sector (NFP) consolidates the GGS and PNFC Sectors, eliminating inter-sector balances and transactions such as dividend and income tax equivalent income. The State Financial Sector consolidates the NFP and the PFC Sectors.

(c) In accordance with UFR, estimates for Public Financial Corporations (PFC) and State Financial Sectors are not required in Budget documentation.

Outcomes Report - Other General Government UPF Data

Data in the following tables is presented in accordance with the Uniform Presentation Framework.

General Government Sector

Taxes	2021-22 Outcome \$ million
Taxes on employers' payroll and labour force	5,001
Taxes on property	
Land taxes	1,633
Other	604
Taxes on the provision of goods and services	
Stamp duties on financial and capital transactions	6,376
Financial institutions' transactions taxes	333
Taxes on gambling	1,645
Taxes on insurance	1,263
Taxes on use of goods and performance of activities	
Motor vehicle taxes	2,807
Other	350
Total Taxation Revenue	20,011
Note: 1. Numbers may not add due to rounding.	

Dividend and Income Tax Equivalent Income	2021-22 Outcome \$ million
Dividend and Income Tax Equivalent income from PNFC sector	741
Dividend and Income Tax Equivalent income from PFC sector	49
Total Dividend and Income Tax Equivalent income	790
Note: 1. Numbers may not add due to rounding.	

Outcomes Report - Other General Government UPF Data

General Government Sector continued

Grants Revenue	2021-22 Outcome \$ million
Current grants revenue	
Current grants from the Commonwealth	
General purpose grants	16,083
Specific purpose grants	10,643
Specific purpose grants for on-passing	4,325
Total current grants from the Commonwealth	31,051
Other contributions and grants	335
Total current grants revenue	31,387
Capital grants revenue	
Capital grants from the Commonwealth	
Specific purpose grants	2,705
Other contributions and grants	44
Total capital grants revenue	2,749
Total grants revenue	34,135
Note: 1. Numbers may not add due to rounding.	

Grants Expense	2021-22 Outcome \$ million
Current grants expenses	
Private and not-for-profit sector	2,790
Private and not-for-profit sector on-passing	3,687
Local Government	892
Local Government on-passing	689
Grants to other sectors of Government	2,752
Other	876
Total current grants expense	11,686
Capital grants expenses	
Private and not-for-profit sector	445
Local Government	1,262
Grants to other sectors of Government	41
Other	383
Total capital grants expenses	2,130
Total grants expenses	13,817
Note: 1. Numbers may not add due to rounding.	

Outcomes Report - Other General Government UPF Data

General Government Sector continued

Expenses by Function	2021-22 Outcome \$ million		2021-22 Outcome \$ million
General Public Services	5,182	Health	22,045
Executive and legislative organs, financial and fiscal affairs, external affairs	784	Outpatient services	3,309
General services	263	Hospital services	11,869
Public debt transactions	1,428	Mental health institutions	639
Transfers of a general character between level of government	689	Community health services	4,815
General public services n.e.c.	2,018	Public health services	582
		R&D - Health	209
		Health n.e.c.	622
Public Order and Safety	6,323	Recreation, Culture and Religion	936
Police services	2,884	Recreation and sporting services	397
Civil and fire protection services	860	Cultural services	397
Law courts	1,030	Recreation, culture and religion n.e.c.	142
Prisons	1,508		
Public order and safety n.e.c.	40	Education	16,871
		Pre-primary and primary education	8,235
Economic Affairs	2,609	Secondary education	5,659
General economic, commercial and labour affairs	318	Tertiary education	1,389
Agriculture, forestry, fishing and hunting	421	Subsidiary services to education	179
Fuel and energy	589	Education n.e.c.	1,408
Mining, manufacturing and construction	426		
R&D - Economic affairs	170	Social Protection	5,743
Other industries	362	Sickness and disability	2,179
Economic affairs	322	Old age	17
		Family and children	1,908
		Housing	673
Environmental Protection	1,586	Social exclusion n.e.c.	219
Protection of biodiversity and landscape	564	Social protection n.e.c.	748
Environmental protection n.e.c.	1,023		
		Transport	7,568
Housing and Community Amenities	1,028	Road transport	3,303
Housing development	720	Bus transport	84
Community development	101	Water transport	186
Water supply	161	Railway transport	2,290
Housing and community amenities n.e.c.	46	Multi-mode urban transport	952
		Transport n.e.c.	754
		Total	69,889

Note:

1. Numbers may not add due to rounding.

Outcomes Report - Other General Government UPF Data

General Government Sector continued

Purchases of Non-financial Assets by Function	2021-22 Outcome \$ million
General public services	441
Public order and safety	400
Economic affairs	16
Environmental protection	70
Housing and community amenities	395
Health	910
Recreation, culture and religion	58
Education	1,132
Social protection	1
Transport	4,467
Total	7,889
<p>Note:</p> <p>1. Numbers may not add due to rounding.</p>	

Certification of Outcomes Report

Management Certification

The foregoing Outcomes Report contains financial statements for the Queensland State Government, prepared and presented in accordance with the Uniform Presentation Framework (UPF) agreed to at the 1991 Premiers' Conference and revised in 2008 to align with AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

This report separately discloses outcomes for the General Government, Public Non-financial Corporations, Public Financial Corporations and State Financial Sectors within Queensland. Entities excluded from this report include local governments and universities. Queensland public sector entities consolidated for this report are listed in the AASB 1049 Financial Statements, taking into account intra and inter-agency eliminations.

Only those agencies considered material by virtue of their financial transactions and balances are consolidated in this report.

We certify that, in our opinion, the Outcomes Report has been properly drawn up, in accordance with UPF requirements, to present a true and fair view of:

- (i) the Operating Statement and Cash Flows of the Queensland State Government for the financial year; and
- (ii) the Balance Sheet of the Government at 30 June 2022.

At the date of certification of this report, we are not aware of any material circumstances that would render any particulars included in the Outcomes Report misleading or inaccurate.

William Ryan
Head of Fiscal
Queensland Treasury

Leon Allen
Under Treasurer
Queensland Treasury

17 October 2022