



**Queensland**  
Government

**Consolidated Fund Financial Report**  
**2010–11**

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# CONSOLIDATED FUND FINANCIAL REPORT 2010–11

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## **SCOPE AND PURPOSE OF THE CONSOLIDATED FUND FINANCIAL REPORT**

### **Statutory Requirement**

The *Financial Accountability Act 2009* (the Act) provides that at the end of every financial year the Treasurer shall prepare and transmit to the Auditor-General a statement containing particulars of transactions of the Consolidated Fund and details of appropriation paid to each Department (including adjustments to original appropriation). This statement, known as the Consolidated Fund Financial Report (CFFR), is to be transmitted to the Auditor-General by a date that allows the Auditor-General to complete the audit of the statement and prepare a report on it within three months after the end of the financial year. The statement and the report of the Auditor-General are then to be tabled in the Legislative Assembly by the Treasurer within fourteen days of their return by the Auditor-General.

### **Consolidated Fund Accounts**

The Act requires the Treasurer to keep ledger accounts for the Consolidated Fund consisting of:

- the Treasurer's Consolidated Fund Operating Account; and
- the Treasurer's Consolidated Fund Investment Account.

The Act further provides for accountability for the management of public moneys and property to be given by Accountable Officers of Departments in the form of the establishment and keeping of Departmental Accounts, so as to produce general purpose financial statements prepared in accordance with Australian Accounting Standards and financial reporting requirements issued by the Treasurer. The general purpose financial statements are required to be included in Departmental annual reports to be given to the Minister in accordance with section 62 of the Act.

### **Basis of Accounting**

#### *Gross Cash Basis*

Transactions are generally recorded in the Consolidated Fund accounts at the time of receipt or issue of cash. In relation to the finalisation of 2010-11 appropriations under S29(1) and S37(3) of the Act and in accordance with section 22(6) of the Act, payments made from and receipts paid to the Consolidated Fund within two weeks after the end of the financial year relating to the 2010–11 financial year are included in these statements. Thus, the Consolidated Fund Financial Report reports on the cash basis of accounting in contrast to Departmental reporting which is on the accrual basis of accounting.

### **Rounding**

Amounts included in this statement have been rounded to the nearest \$1,000 or where that amount is \$500 or less, to zero.

Amounts may not add to totals both across and downwards due to rounding.

## **Meanings of Certain Words**

The following words appearing in the Statement of Appropriations have these meanings:

### *Transfers*

Transfers made under Section 79 of the Act represent the transfer of appropriation between departments approved by Governor in Council following a redistribution of Government business.

Treasurer's Transfers made under Section 33 of the Act include transfers of appropriation between headings within a Department's vote, approved by the Treasurer.

### *Unforeseen Expenditure*

Unforeseen Expenditure refers to expenditure authorised by the Governor in Council, under section 35 of the Act, to be made in advance of appropriation. Such authorisation may be given for expenditure where there is no appropriation, or there is an appropriation but the making of the expenditure to a department's vote would mean that the amount allocated to the vote would be exceeded.

### *Lapsed Appropriation*

Lapsed Appropriation means appropriation that has lapsed under section 29 of the Act. This section states that where the available amount (total amount appropriated) is not paid to a Department within the financial year or within the further two weeks, the unpaid amount of the appropriation lapses at the end of the further two weeks.

**STATEMENT OF RECEIPTS AND PAYMENTS FOR THE QUARTER ENDED 30 JUNE 2011**

	Notes	Operating Account	Investment Account	Total Quarter Ended 30 June 2011	Total Quarter Ended 30 June 2010
<b>Consolidated Fund</b>		<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Balance as at 1 April		(1,678,928)	27,478,144	25,799,217	22,248,983
Receipts					
Collections received from Departments	1	7,854,467	-	7,854,467	9,126,479
Investment Interest		516,404	-	516,404	306,004
Dividends and Income Tax Equivalents		57,353	-	57,353	50,103
Non-Appropriated Equity Adjustments Queensland		4,301,217	-	4,301,217	1,940,859
Contributions		675,211	-	675,211	576,639
Capital Return from Public Enterprises		150,000	-	150,000	-
Disposal of Public Enterprise Investments		901,049	-	901,049	-
Other Receipts		-	-	-	610
		14,455,702	-	14,455,702	12,000,694
Payments					
Appropriations provided to Departments	2	(17,516,641)	-	(17,516,641)	(12,323,357)
		(17,516,641)	-	(17,516,641)	(12,323,357)
Net Effect of Investments					
Funds transfer to/from Treasurer's Account		(3,627,652)	3,627,652	-	-
<b>Consolidated Fund Balance as at 30 June</b>		<b>(8,367,519)</b>	<b>31,105,796</b>	<b>22,738,278</b>	<b>21,926,320</b>

**STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 JUNE 2011**

	Notes	Operating Account	Investment Account	Total Year to Date 30 June 2011	Total Year to Date 30 June 2010
<b>Consolidated Fund</b>		<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Balance as at 1 July		(4,357,614)	26,283,934	21,926,320	22,877,137
Receipts					
Collections received from Departments	1	32,562,818	-	32,562,818	32,228,976
Investment Interest		2,081,209	-	2,081,209	1,963,288
Dividends and Income Tax Equivalents		1,049,751	-	1,049,751	1,135,050
Non-Appropriated Equity Adjustments Queensland		7,353,161	-	7,353,161	4,518,205
Contributions		2,608,654	-	2,608,654	2,278,597
Capital Return from Public Enterprises		1,313,063	-	1,313,063	462,000
Disposal of Public Enterprise Investments		7,065,209	-	7,065,209	-
Other Receipts		239	-	239	5,945
		54,034,104	-	54,034,104	42,592,061
Payments					
Appropriations provided to Departments	2	(53,222,146)	-	(53,222,146)	(43,542,878)
		(53,222,146)	-	(53,222,146)	(43,542,878)
Net Effect of Investments					
Funds transfer to/from Treasurer's Account		(4,821,862)	4,821,862	-	-
<b>Consolidated Fund Balance as at 30 June</b>		<b>(8,367,519)</b>	<b>31,105,796</b>	<b>22,738,278</b>	<b>21,926,320</b>

Notes:

1. Refer to statement of Collections Received from Departments.
2. Refer to statement of Appropriations Provided to Departments.

Note 1

COLLECTIONS RECEIVED FROM DEPARTMENTS

	Quarter Ended 30 June 2011	Quarter Ended 30 June 2010	Year to Date 30 June 2011	Year to Date 30 June 2010
	\$'000	\$'000	\$'000	\$'000
Department of Communities	5	12	321	77
Department of Community Safety	5	11	41	52
Department of Education and Training	110,137	233,044	1,940,284	2,159,721
Electoral Commission of Queensland	-	4	2	1,080
Department of Employment, Economic Development and Innovation	592,351	482,086	2,659,922	2,081,777
Department of Environment and Resource Management	70,437	53,959	309,217	314,605
Department of Health	45	95	142	235
Department of Justice and Attorney-General	62,667	53,049	201,465	211,129
Department of Local Government and Planning <i>(renamed as at 21 February 2011)</i>	183,842	172,437	416,689	479,358
Department of Police	1,635	1,176	4,746	4,637
Department of Public Works	5,000	10,000	6,624	49,236
Department of Transport and Main Roads	465,956	447,923	1,797,831	1,721,690
Treasury Department	6,362,387	7,672,685	25,225,533	25,205,379
<b>TOTAL AMOUNTS RECEIVED FROM DEPARTMENTS</b>	<b>7,854,467</b>	<b>9,126,479</b>	<b>32,562,818</b>	<b>32,228,976</b>

Note 2

APPROPRIATIONS PROVIDED TO DEPARTMENTS

	Quarter Ended 30 June 2011	Quarter Ended 30 June 2010	Year to Date 30 June 2011	Year to Date 30 June 2010
	\$'000	\$'000	\$'000	\$'000
<b>Department of Communities</b>				
<i>Controlled Items</i>				
Departmental Services	527,443	755,455	3,374,654	2,995,488
Equity Adjustments	51,246	186,265	635,868	624,389
<i>Administered Items</i>	90,518	130,090	292,642	282,001
<u>Total for Department</u>	669,207	1,071,810	4,303,164	3,901,878
<b>Department of Community Safety</b>				
<i>Controlled Items</i>				
Departmental Services	314,634	298,336	1,148,049	1,096,552
Equity Adjustments	2,036	57,320	129,681	294,368
<i>Administered Items</i>	-	-	-	-
<u>Total for Department</u>	316,670	355,656	1,277,730	1,390,920
<b>Department of Education and Training</b>				
<i>Controlled Items</i>				
Departmental Services	1,732,266	1,616,291	6,827,758	6,361,623
Equity Adjustments	86,735	642,145	1,038,979	1,482,295
<i>Administered Items</i>	322,351	595,966	2,587,127	2,710,234
<u>Total for Department</u>	2,141,352	2,854,402	10,453,864	10,554,152
<b>Electoral Commission of Queensland</b>				
<i>Controlled Items</i>				
Departmental Services	3,588	(73)	13,140	9,092
Equity Adjustments	124	39	429	39
<i>Administered Items</i>	-	-	-	-
<u>Total for Department</u>	3,712	(34)	13,569	9,131
<b>Department of Employment, Economic Development and Innovation</b>				
<i>Controlled Items</i>				
Departmental Services	122,151	203,732	810,653	796,040
Equity Adjustments	(60,711)	(23,328)	13,535	176,873
<i>Administered Items</i>	253,648	234,803	526,895	724,665
<u>Total for Department</u>	315,088	415,207	1,351,083	1,697,578
<b>Department of Environment and Resource Management</b>				
<i>Controlled Items</i>				
Departmental Services	153,812	178,398	745,116	728,804
Equity Adjustments	(2,451)	(24,991)	(4,364)	37,978
<i>Administered Items</i>	39,405	(30,853)	85,096	23,347
<u>Total for Department</u>	190,766	122,554	825,848	790,129
<b>Department of Health</b>				
<i>Controlled Items</i>				
Departmental Services	2,634,155	2,221,552	9,470,897	8,554,541
Equity Adjustments	239,904	71,827	972,318	830,521
<i>Administered Items</i>	4,169	3,843	25,288	24,592
<u>Total for Department</u>	2,878,228	2,297,222	10,468,503	9,409,654
<b>Department of Justice and Attorney-General</b>				
<i>Controlled Items</i>				
Departmental Services	111,799	96,068	360,324	356,533
Equity Adjustments	(55,182)	(13,644)	148,674	125,119
<i>Administered Items</i>	3,415	57,537	236,098	208,251
<u>Total for Department</u>	60,032	139,961	745,096	689,903



Note 2

APPROPRIATIONS PROVIDED TO DEPARTMENTS

- continued

	Quarter Ended 30 June 2011	Quarter Ended 30 June 2010	Year to Date 30 June 2011	Year to Date 30 June 2010
	\$'000	\$'000	\$'000	\$'000
<b>Legislative Assembly and Parliamentary Service</b>				
<i>Controlled Items</i>				
Departmental Services	15,257	20,424	75,498	73,311
Equity Adjustments	(4,723)	(1,177)	(4,723)	(1,177)
<i>Administered Items</i>	-	-	-	-
<u>Total for Department</u>	10,534	19,247	70,775	72,134
<b>Department of Local Government and Planning</b> <i>(renamed from Department of Infrastructure and Planning as at 21 February 2011)</i>				
<i>Controlled Items</i>				
Departmental Services	183,497	140,427	728,736	775,389
Equity Adjustments	14,443	1,808	18,133	1,808
<i>Administered Items</i>	183,225	219,400	419,097	782,500
<u>Total for Department</u>	381,165	361,635	1,165,966	1,559,697
<b>Office of the Governor</b>				
<i>Controlled Items</i>				
Departmental Services	1,455	1,515	5,592	5,337
Equity Adjustments	100	-	499	100
<i>Administered Items</i>	-	-	-	-
<u>Total for Department</u>	1,555	1,515	6,091	5,437
<b>Office of the Ombudsman</b>				
<i>Controlled Items</i>				
Departmental Services	1,391	1,899	6,581	6,759
Equity Adjustments	-	(228)	-	(228)
<i>Administered Items</i>	-	-	-	-
<u>Total for Department</u>	1,391	1,671	6,581	6,531
<b>Department of Police</b>				
<i>Controlled Items</i>				
Departmental Services	495,084	465,557	1,699,713	1,607,420
Equity Adjustments	(51,482)	(58,412)	44,936	32,392
<i>Administered Items</i>	221	215	441	429
<u>Total for Department</u>	443,823	407,360	1,745,090	1,640,241
<b>Department of the Premier and Cabinet</b>				
<i>Controlled Items</i>				
Departmental Services	27,478	48,631	216,569	203,171
Equity Adjustments	(18,270)	(11,116)	(36,918)	(31,080)
<i>Administered Items</i>	1,049,013	73,534	2,207,221	215,930
<u>Total for Department</u>	1,058,221	111,049	2,386,872	388,021
<b>Public Service Commissioner</b>				
<i>Controlled Items</i>				
Departmental Services	1,629	1,802	11,277	10,492
Equity Adjustments	-	14	-	14
<i>Administered Items</i>	-	-	-	-
<u>Total for Department</u>	1,629	1,816	11,277	10,506
<b>Department of Public Works</b>				
<i>Controlled Items</i>				
Departmental Services	(32,591)	(22,320)	71,901	76,401
Equity Adjustments	(7,395)	44,869	53,598	138,081
<i>Administered Items</i>	(14,170)	25,107	39,228	70,768
<u>Total for Department</u>	(54,156)	47,656	164,727	285,250

Note 2

APPROPRIATIONS PROVIDED TO DEPARTMENTS

- continued

	Quarter Ended 30 June 2011	Quarter Ended 30 June 2010	Year to Date 30 June 2011	Year to Date 30 June 2010
	\$'000	\$'000	\$'000	\$'000
<b>Queensland Audit Office</b>				
<i>Controlled Items</i>				
Departmental Services	1,623	1,490	6,223	5,970
Equity Adjustments	-	-	-	1,000
<i>Administered Items</i>	-	-	-	-
<u>Total for Department</u>	1,623	1,490	6,223	6,970
<b>Department of Transport and Main Roads</b>				
<i>Controlled Items</i>				
Departmental Services	1,050,192	845,269	3,559,549	3,307,816
Equity Adjustments	391,605	499,405	1,689,330	2,407,733
<i>Administered Items</i>	724,313	645,719	1,422,962	1,468,356
<u>Total for Department</u>	2,166,110	1,990,393	6,671,841	7,183,905
<b>Treasury Department</b>				
<i>Controlled Items</i>				
Departmental Services	(43,240)	34,569	170,430	152,862
Equity Adjustments	(12,864)	(9,091)	(8,563)	(2,391)
<i>Administered Items</i>	6,985,795	2,097,269	11,385,979	3,790,370
<u>Total for Department</u>	6,929,691	2,122,747	11,547,846	3,940,841
<b>Departmental Totals</b>				
<i>Controlled Items</i>				
Departmental Services	7,301,623	6,909,022	29,302,660	27,123,601
Equity Adjustments	573,115	1,361,705	4,691,412	6,117,834
<i>Administered Items</i>	9,641,903	4,052,630	19,228,074	10,301,443
<u>Total for Departments</u>	<b><u>17,516,641</u></b>	<b><u>12,323,357</u></b>	<b><u>53,222,146</u></b>	<b><u>43,542,878</u></b>

**STATEMENT OF APPROPRIATIONS**  
for the year ended 30 June 2011

Department	Note	Appropriation Act 2010 \$'000	Transfers s79 \$'000	Appropriation Adjusted for s79 Transfers \$'000	Treasurer's Transfers s33 \$'000	Adjusted Appropriation \$'000	Unforeseen Expenditure s35 \$'000	Lapsed Appropriation s29 \$'000	2011 Actual \$'000	2010 Actual \$'000
<b>Department of Communities</b>										
<i>Controlled Items</i>										
Departmental services	1	3,705,123	515	3,705,638	(187)	3,705,451	-	330,797	3,374,654	2,995,488
Equity adjustments		637,470	-	637,470	(1,602)	635,868	-	-	635,868	624,389
<i>Administered Items</i>		290,853	-	290,853	1,789	292,642	-	-	292,642	282,001
<u>Vote</u>		4,633,446	515	4,633,961	-	4,633,961	-	330,797	4,303,164	3,901,878
<b>Department of Community Safety</b>										
<i>Controlled Items</i>										
Departmental services	2	1,153,941	-	1,153,941	(3,465)	1,150,476	-	2,427	1,148,049	1,096,552
Equity adjustments		126,216	-	126,216	3,465	129,681	-	-	129,681	294,368
<i>Administered Items</i>		-	-	-	-	-	-	-	-	-
<u>Vote</u>		1,280,157	-	1,280,157	-	1,280,157	-	2,427	1,277,730	1,390,920
<b>Department of Education and Training</b>										
<i>Controlled Items</i>										
Departmental services	3	6,843,379	-	6,843,379	(15,621)	6,827,758	-	-	6,827,758	6,361,623
Equity adjustments		818,587	-	818,587	53,105	871,692	167,287	-	1,038,979	1,482,295
<i>Administered Items</i>		2,624,611	-	2,624,611	(37,484)	2,587,127	-	-	2,587,127	2,710,234
<u>Vote</u>		10,286,577	-	10,286,577	-	10,286,577	167,287	-	10,453,864	10,554,152
<b>Electoral Commission of Queensland</b>										
<i>Controlled Items</i>										
Departmental services	4	13,631	-	13,631	(491)	13,140	-	-	13,140	9,092
Equity adjustments		(76)	-	(76)	491	415	14	-	429	39
<i>Administered Items</i>		-	-	-	-	-	-	-	-	-
<u>Vote</u>		13,555	-	13,555	-	13,555	14	-	13,569	9,131
<b>Department of Employment, Economic Development and Innovation</b>										
<i>Controlled Items</i>										
Departmental services	5	846,378	1,363	847,741	(37,088)	810,653	-	-	810,653	796,040
Equity adjustments		36,687	115,132	151,819	(61,648)	90,171	-	76,636	13,535	176,873
<i>Administered Items</i>		429,088	(929)	428,159	98,736	526,895	-	-	526,895	724,665
<u>Vote</u>		1,312,153	115,566	1,427,719	-	1,427,719	-	76,636	1,351,083	1,697,578

**STATEMENT OF APPROPRIATIONS**  
for the year ended 30 June 2011

Department	Note	Appropriation Act 2010 \$'000	Transfers s79 \$'000	Appropriation Adjusted for s79 Transfers \$'000	Treasurer's Transfers s33 \$'000	Adjusted Appropriation \$'000	Unforeseen Expenditure s35 \$'000	Lapsed Appropriation s29 \$'000	2011 Actual \$'000	2010 Actual \$'000
<b>Department of Environment and Resource Management</b>										
<i>Controlled Items</i>										
Departmental services	6	807,208	-	807,208	(37,926)	769,282	-	24,166	745,116	728,804
Equity adjustments		(12,896)	-	(12,896)	8,532	(4,364)	-	-	(4,364)	37,978
Administered Items		55,702	-	55,702	29,394	85,096	-	-	85,096	23,347
<u>Vote</u>		850,014	-	850,014	-	850,014	-	24,166	825,848	790,129
<b>Department of Health</b>										
<i>Controlled Items</i>										
Departmental services	7	9,092,426	-	9,092,426	200,684	9,293,110	177,787	-	9,470,897	8,554,541
Equity adjustments		1,173,292	-	1,173,292	(200,974)	972,318	-	-	972,318	830,521
Administered Items		24,998	-	24,998	290	25,288	-	-	25,288	24,592
<u>Vote</u>		10,290,716	-	10,290,716	-	10,290,716	177,787	-	10,468,503	9,409,654
<b>Department of Justice and Attorney-General</b>										
<i>Controlled Items</i>										
Departmental services	8	342,035	20,220	362,255	(1,931)	360,324	-	-	360,324	356,533
Equity adjustments		297,782	-	297,782	(11,551)	286,231	-	137,557	148,674	125,119
Administered Items		221,687	929	222,616	13,482	236,098	-	-	236,098	208,251
<u>Vote</u>		861,504	21,149	882,653	-	882,653	-	137,557	745,096	689,903
<b>Department of Local Government and Planning (renamed as at 21 February 2011)</b>										
<i>Controlled Items</i>										
Departmental services	9	649,788	(22,335)	627,453	15,090	642,543	86,193	-	728,736	775,389
Equity adjustments		116,412	(115,132)	1,280	16,853	18,133	-	-	18,133	1,808
Administered Items		451,040	-	451,040	(31,943)	419,097	-	-	419,097	782,500
<u>Vote</u>		1,217,240	(137,467)	1,079,773	-	1,079,773	86,193	-	1,165,966	1,559,697
<b>Legislative Assembly and Parliamentary Service</b>										
<i>Controlled Items</i>										
Departmental services	10	74,384	-	74,384	584	74,968	530	-	75,498	73,311
Equity adjustments		(4,139)	-	(4,139)	(584)	(4,723)	-	-	(4,723)	(1,177)
Administered Items		-	-	-	-	-	-	-	-	-
<u>Vote</u>		70,245	-	70,245	-	70,245	530	-	70,775	72,134

**STATEMENT OF APPROPRIATIONS**  
for the year ended 30 June 2011

Department	Appropriation Act 2010	Transfers s79	Appropriation Adjusted for s79 Transfers	Treasurer's Transfers s33	Adjusted Appropriation	Unforeseen Expenditure s35	Lapsed Appropriation s29	2011 Actual	2010 Actual
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>11</b>									
<b>Office of the Governor</b>									
<i>Controlled Items</i>									
Departmental services	5,656	-	5,656	(43)	5,613	-	21	5,592	5,337
Equity adjustments	456	-	456	43	499	-	-	499	100
<i>Administered Items</i>									
<u>Vote</u>	6,112	-	6,112	-	6,112	-	21	6,091	5,437
<b>12</b>									
<b>Office of the Ombudsman</b>									
<i>Controlled Items</i>									
Departmental services	6,869	-	6,869	-	6,869	-	288	6,581	6,759
Equity adjustments	-	-	-	-	-	-	-	-	(228)
<i>Administered Items</i>									
<u>Vote</u>	6,869	-	6,869	-	6,869	-	288	6,581	6,531
<b>13</b>									
<b>Department of Police</b>									
<i>Controlled Items</i>									
Departmental services	1,736,205	-	1,736,205	-	1,736,205	-	36,492	1,699,713	1,607,420
Equity adjustments	114,529	-	114,529	-	114,529	-	69,593	44,936	32,392
<i>Administered Items</i>									
<u>Vote</u>	1,851,175	-	1,851,175	-	1,851,175	-	106,085	1,745,090	1,640,241
<b>14</b>									
<b>Department of the Premier and Cabinet</b>									
<i>Controlled Items</i>									
Departmental services	207,462	-	207,462	-	207,462	9,107	-	216,569	203,171
Equity adjustments	(39,875)	-	(39,875)	-	(39,875)	2,957	-	(36,918)	(31,080)
<i>Administered Items</i>									
<u>Vote</u>	193,163	-	193,163	-	193,163	2,014,058	-	2,207,221	215,930
	360,750	-	360,750	-	360,750	2,026,122	-	2,386,872	388,021
<b>15</b>									
<b>Public Service Commission</b>									
<i>Controlled Items</i>									
Departmental services	11,121	237	11,358	-	11,358	-	81	11,277	10,492
Equity adjustments	-	-	-	-	-	-	-	-	14
<i>Administered Items</i>									
<u>Vote</u>	11,121	237	11,358	-	11,358	-	81	11,277	10,506

**STATEMENT OF APPROPRIATIONS**  
for the year ended 30 June 2011

Department	Appropriation Act 2010	Transfers s79	Appropriation Adjusted for s79 Transfers	Treasurer's Transfers s33	Adjusted Appropriation	Unforeseen Expenditure s35	Lapsed Appropriation s29	2011 Actual	2010 Actual
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>16</b>									
<b>Department of Public Works</b>									
<i>Controlled Items</i>									
Departmental services	93,776	-	93,776	(13,986)	79,790	-	7,889	71,901	76,401
Equity adjustments	75,532	-	75,532	-	75,532	-	21,934	53,598	138,081
<i>Administered Items</i>	25,242	-	25,242	13,986	39,228	-	-	39,228	70,768
<u>Vote</u>	194,550	-	194,550	-	194,550	-	29,823	164,727	285,250
<b>Queensland Audit Office</b>									
<i>Controlled Items</i>									
Departmental services	6,223	-	6,223	-	6,223	-	-	6,223	5,970
Equity adjustments	-	-	-	-	-	-	-	-	1,000
<i>Administered Items</i>	-	-	-	-	-	-	-	-	-
<u>Vote</u>	6,223	-	6,223	-	6,223	-	-	6,223	6,970
<b>17</b>									
<b>Department of Transport and Main Roads</b>									
<i>Controlled Items</i>									
Departmental services	3,357,634	-	3,357,634	201,915	3,559,549	-	-	3,559,549	3,307,816
Equity adjustments	2,433,147	-	2,433,147	(201,915)	2,231,232	-	541,902	1,689,330	2,407,733
<i>Administered Items</i>	1,553,610	-	1,553,610	-	1,553,610	-	130,648	1,422,962	1,468,356
<u>Vote</u>	7,344,391	-	7,344,391	-	7,344,391	-	672,550	6,671,841	7,183,905
<b>18</b>									
<b>Treasury Department</b>									
<i>Controlled Items</i>									
Departmental services	263,084	-	263,084	(92,654)	170,430	-	-	170,430	152,862
Equity adjustments	(9,094)	-	(9,094)	531	(8,563)	-	-	(8,563)	(2,391)
<i>Administered Items</i>	4,446,878	-	4,446,878	92,123	4,539,001	6,846,978	-	11,385,979	3,790,370
<u>Vote</u>	4,700,868	-	4,700,868	-	4,700,868	6,846,978	-	11,547,846	3,940,841
<b>Department Totals</b>									
<i>Controlled Items</i>									
Departmental services	29,216,323	-	29,216,323	214,881	29,431,204	273,617	402,161	29,302,660	27,123,601
Equity adjustments	5,764,030	-	5,764,030	(395,254)	5,368,776	170,258	847,622	4,691,412	6,117,834
<i>Administered Items</i>	10,317,313	-	10,317,313	180,373	10,497,686	8,861,036	130,648	19,228,074	10,301,443
<u>Vote</u>	45,297,666	-	45,297,666	-	45,297,666	9,304,911	1,380,431	53,222,146	43,542,878

## Explanatory Notes to the Statement of Appropriations

These explanatory notes are in relation to appropriation adjustments and explain the variance between the Appropriation Act amount, adjusted for section 79 (machinery of Government) transfers, and actual appropriation paid.

1. **Department of Communities** – Lapses in departmental services relate to the deferral of funding from 2010-11 to 2011-12 and 2012-13 for Home and Community Care Program and Community and Youth Justice Services due to contractual delays. Capital grants under the Nation Building and Jobs Plan and Rural and Remote Indigenous Housing were also deferred due to adverse weather conditions. Lapses in equity were a result of adverse weather conditions resulting in a realignment of funding, partially offset by the reclassification of funding from services to equity under the Remote Indigenous Housing National Partnership Agreement.

Transfers from departmental services and equity were applied to additional funding for administered items, which were primarily due to funding approved for the National Aerial Training Centre at the Sleeman Sports Complex, partially offset by the return of funding to Queensland Treasury for stamp duty claimed by Stadiums Queensland.

2. **Department of Community Safety** – Lapses in departmental services relate to the transfer of funding to Queensland Health for the Community Helicopter Providers, the expected completion of a 10,000 hour major overhaul of one of the department's Bell 412 helicopters at a lower cost and the deferral of funding from 2010-11 to 2011-12 for various projects. The savings were partly offset by additional ambulance spending, including the Queensland Ambulance Service wage determination and increased funding to support the delivery of corrective services.

A transfer of part of the lapsed departmental services was used to fund additional equity adjustments required as a result of the bring forward of funding related to several capital projects such as Lotus Glen and SEQ Correctional Centres.

3. **Department of Education and Training** – Lapses in departmental services were a result of the funding relating to a number of Commonwealth programs being deferred, partially offset by additional funding arising from enterprise bargaining outcomes and the Department of Education Community Kindergarten Assistance Scheme (DECKAS) move from Administered to Controlled. Lapses in administered items were primarily due to the transfer of DECKAS from Administered to Controlled funding, along with a reduction in the Commonwealth capital assistance to non-state school payments, partially offset by an increase in the Commonwealth recurrent assistance to non-state education.

Appropriation for Unforeseen Expenditure and transfers from departmental services were used to fund additional equity adjustments to meet capital requirements and capital funding under Australian Government programs.

4. **Electoral Commission of Queensland** – Lapses in departmental services relate to a departmental services to equity funding transfer to purchase plant and equipment and a deferral to 2011-12 for unexpended funding for election activities.

Transfers from departmental services to equity adjustments and appropriation for Unforeseen Expenditure were used to fund purchases of plant and equipment in preparation for the next State and Local Government elections, as well as accommodation improvements.

5. **Department of Employment, Economic Development and Innovation** – Lapses in departmental services were largely due to the realignment of funding from 2010-11 to future years to match anticipated cashflows. The transfer of funding for flood and cyclone recovery programs to the Queensland Reconstruction Authority also occurred during 2010-11.

Lapses in equity adjustments were mainly due to the realignment of funding from 2010-11 to future years to match anticipated cashflows, including funding for the Airport Link project for which land payments are dependent on ongoing negotiations with landholders, and valuation adjustments associated with long term loans provided under the Innovation Building Fund.

Transfers from departmental services and equity adjustments were used to fully offset additional administered items which include Community Service Obligations payments to Ergon Energy Queensland for electricity tariff adjustments. These payments are determined each year by a number of factors including the Benchmark Retail Cost Index, franchise load growth and the purchasing cost of energy. Additional administered items also include a payment to QRAA as part of a financing restructure.

6. **Department of Environment and Resource Management** – Lapses in departmental services relate to 'Caring for our Country' Commonwealth funding, which was not appropriated in light of revised arrangements for recording Commonwealth revenue, as well as the deferral of funding to future years.

Transfers from departmental services were applied to meet additional administered items primarily relating to the Land Acquisition Strategy for the Connors River Dam. Transfers were also applied to meet additional equity items including investment in SunWater and land acquisitions for koala protection and vegetation management.

7. **Department of Health** – Lapses in equity adjustments were the result of deferrals in the capital program for projects including Gold Coast University Hospital, Mackay Base Hospital Redevelopment, Cairns Base Hospital and the Rockhampton Hospital expansion. The deferrals were predominantly the result of the cumulative result of natural disasters and exceptionally inclement weather experienced during the 2010-11 financial year.



Transfers of equity adjustments were used to offset additional administered items (payroll costs for the Health Quality and Complaints Commission) and to reduce Unforeseen Expenditure requirements for departmental services. Additional requirements (including Unforeseen Expenditure) for departmental services reflect the adoption of Ernst and Young recommendations for improving the health payroll system, higher than estimated costs including the demand for services being greater than budgeted levels, higher than forecast expensing related to the capital program and transfer of the administrative responsibility of community helicopter providers from the Department of Community Safety to Queensland Health.

8. **Department of Justice and Attorney General** – Lapses in equity adjustments were due to changes in the timing of capital expenditure from 2010-11 to 2011-12 and the return of savings in project contingency and escalation costs relating to the construction of the new Brisbane Supreme and District Court Complex. Lapses in funding (deferred to 2011-12) for other capital works projects were due to delays resulting from natural disasters in late 2010 and early 2011.

Transfers of departmental services and equity adjustments were applied to meet additional administered items which primarily reflect Criminal Injury Compensation Unit and Judicial Salary increases.

9. **Department of Local Government and Planning** – Lapses in administered items were realised through the cessation of funding for Queensland Water Infrastructure Pty Ltd.

Transfers of administered items were applied to fully offset additional equity adjustments relating to the reclassification of Smaller Communities Assistance program funding from capital grants to loans. The remaining transfer from administered items and the appropriation for Unforeseen Expenditure were applied to additional departmental services which primarily reflect increased funding for the Natural Disaster Relief and Recovery Arrangements (NDRRA) for natural disaster recovery prior to November 2010.

10. **Legislative Assembly and Parliamentary Service** – Lapses in equity adjustments were realised through an increase in equity withdrawal relating to building depreciation.

Majority of the Unforeseen Expenditure is to cover increases in Members' salaries and allowances pursuant to the Members' Entitlements Handbook.

11. **Office of the Governor** – Lapses in departmental services resulted from the deferral of IT projects due to staffing availability from 2010-11 to 2011-12, partially offset by the deferral of funding from previous years to 2010-11. Transfers from departmental services to equity reflect the effect of depreciation funding not required in 2010-11.
12. **Office of the Ombudsman** – Lapses in departmental services funding relates to a deferral of expenditure on employees due to unanticipated staff vacancies.

13. **Department of Police** – Lapses in departmental services relate to a reduction in funding for the Camera Detected Offence Program and revised completion dates for Policelink, the replacement of operational equipment and various Information and Communication Technology (ICT) related projects. This reduction has been partially offset by additional funding for the Drink Safe Precinct pilots and to meet increased WorkCover costs, along with a transfer of funds from the Department of Transport and Main Roads for the New Queensland Drivers Licence Project.

Lapses in equity adjustments refer to deferrals to major projects including the Westgate Police Academy which were affected by changes to procurement methodology and reduced immediate design requirements.

14. **Department of the Premier and Cabinet** – Additional departmental services were primarily due to the State's contribution to (and administration of) the Premier's Disaster Relief Appeal, establishment of the Queensland Floods Commission of Inquiry, implementation of legislative reforms under the National Partnership Agreement to deliver a Seamless National Economy, additional funding for the Queensland Symphony Orchestra relocation and Cairns Cultural Precinct detailed plan.

Additional equity adjustments are due to a decrease in equity withdrawals, primarily due to the redevelopment of the Queensland Museum South Bank and reduced depreciation expenses in relation to Queensland Cultural Centre assets.

Additional administered items are primarily due to the establishment of the Queensland Reconstruction Authority and consequently on-passing Commonwealth monies related to natural disasters reparations, as well as increased funding for Events Queensland to attract major events.

15. **Public Service Commission** – Lapses in departmental services funding relates to the deferral by one to two years of several projects including the State of the Service survey, an asset replacement program and an ICT roll-over.
16. **Department of Public Works**– Lapses in departmental services mainly reflect changes in the timing of operating expenditure from 2010-11 to 2011-12 relating to Building Procurement and Asset Management, the Queensland State Archives and ICT strategies. Lapses in equity adjustments were mainly due to changes in the timing of capital expenditure from 2010-11 to 2011-12 for various projects including government employee housing for Thursday Island, the Cairns government office building and Mareeba government office building and learning centre.

The change in the timing of operating and capital expenditure was due to a range of factors, typically including reprioritising of projects and the consequent reallocation of resources, inability to achieve target milestones because of contractual issues and delays arising from external impacts such as the recent natural disasters.

Transfers of departmental services were applied to fully offset additional administered items including the bringing forward of CorpTech grant funding for Corporate Solutions Program and a fee-for-service subsidy.

17. **Department of Transport and Main Roads** – Lapses in equity adjustments were a result of deferrals due to bad weather and natural disasters. Additionally deferrals to the rail program meant lapses also occurred in administered items.

Transfers of equity adjustments were applied to fully offset additional departmental services predominately relating to natural disasters and additional funding for the Regional Freight and Livestock Transport Services Contract.

18. **Treasury Department** – Lapses in departmental services were a result of a 50% reimbursement towards costs associated with the sale of QR National from the Department of Transport and Main Roads.

Transfers of departmental services and the appropriation for Unforeseen Expenditure were applied to meet additional administered items which were primarily a result of equity injections made to repay Whole-of-Government borrowings administered by Treasury in relation to the sales of QR National and Port of Brisbane.

## TREASURER OF QUEENSLAND'S CERTIFICATION

Prepared, signed and transmitted in compliance with sections 23(4) and 24 of the *Financial Accountability Act 2009*.

ANDREW FRASER MP  
TREASURER  
MINISTER FOR STATE  
DEVELOPMENT AND TRADE

5 September 2011

## INDEPENDENT AUDITOR'S REPORT

To the Treasurer of Queensland

### Report on the Financial Report

As required by section 30(1) of the *Auditor-General Act 2009*, I have audited the Consolidated Fund Financial Report which comprises the statement of receipts and payments for the quarter ended and year ended 30 June 2011, the statement of appropriations for the year ended 30 June 2011, other explanatory notes and the certificate given by the Treasurer of Queensland.

#### *The Treasurer's Responsibility for the Financial Report*

The Treasurer is responsible for the preparation of the financial report that gives a true and fair view in accordance with prescribed accounting requirements identified in the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, including compliance with Australian Accounting Standards. The Treasurer's responsibility also includes such internal controls as the Treasurer determines are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. These standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies and the reasonableness of accounting estimates made by the Treasurer, as well as evaluating the overall presentation of the financial report.

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

#### *Independence*

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of the Queensland Consolidated Fund and can only be removed by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

## Opinion

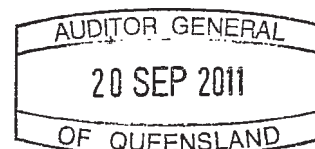
In accordance with section 39 of the *Auditor-General Act 2009* –

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion –
- (i) the Treasurer's Consolidated Fund Operating Account and Treasurer's Consolidated Fund Investment Account, as defined in section 17 of the *Financial Accountability Act 2009*, have been properly kept in accordance with that Act;
  - (ii) the procedures applied were in accordance with the prescribed requirements and were adequate to ensure –
    - proper control and safeguards were exercised over the collection, custody, banking, withdrawal, payment of, and accounting for, public moneys;
    - public moneys were appropriately entered in the consolidated fund accounts as received in, or paid out of, the Treasurer's consolidated fund bank account;
    - withdrawals from the Treasurer's consolidated fund bank account were made for lawful and appropriate purposes;
    - proper safeguards were followed to prevent fraud and mistake; and
    - the requirements of the law relating to public moneys were complied with in all material respects;
  - (iii) the Consolidated Fund Financial Report is in agreement with the Consolidated Fund accounts for the financial year; and
  - (iv) the Consolidated Fund Financial Report presents a true and fair view of the transactions of the consolidated fund accounts for the financial year 1 July 2010 to 30 June 2011 and of the financial position of the accounts as at the end of that year.

### Electronic Presentation of the Audited Financial Report

This auditor's report relates to the Consolidated Fund Financial Report for quarter and year ended 30 June 2011. Where the financial report is included on the Queensland Treasury website, the Treasurer is responsible for the integrity of the Queensland Treasury's website and I have not been engaged to report on the integrity of Queensland Treasury's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements or otherwise included with the financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

These matters also relate to the presentation of the audited financial report in other electronic media including CD Rom.



G G POOLE FCPA  
Auditor-General of Queensland

Queensland Audit Office  
Brisbane