

Department of Education Financial Statements  
for the year ended 30 June 2024

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Department of Education  
Statement of Comprehensive Income  
for the year ended 30 June 2024

	2024	2024	Budget	2023	
Note	Actual	Adjusted	variance**	Actual	
	\$'000	\$'000	\$'000	\$'000	
<b>OPERATING RESULT</b>					
<b>Income from continuing operations</b>					
Appropriation revenue	B1-1	12 184 428	12 107 624	76 804	11 359 775
User charges and fees	B1-2	520 813	422 997	97 816	480 699
Grants and contributions	B1-3	190 271	148 960	41 311	235 035
Interest		41 186	10 003	31 183	25 681
Other revenue		45 883	12 968	32 915	72 912
<b>Total income from continuing operations</b>		<b>12 982 581</b>	<b>12 702 552</b>	<b>280 029</b>	<b>12 174 102</b>
<b>Expenses from continuing operations</b>					
Employee expenses	B2-1	9 239 236	9 004 786	234 450	8 910 571
Supplies and services	B2-2	1 887 256	2 204 448	( 317 192)	1 765 904
Grants and subsidies	B2-3	536 281	530 718	5 563	381 239
Depreciation and amortisation		1 060 672	842 012	218 660	847 609
Impairment losses/(gains)		8 632	728	7 904	8 691
Finance/borrowing costs		27 996	25 717	2 279	25 574
Other expenses	B2-4	99 517	94 199	5 318	89 853
<b>Total expenses from continuing operations</b>		<b>12 859 590</b>	<b>12 702 608</b>	<b>156 982</b>	<b>12 029 441</b>
<b>Operating result for the year</b>		<b>122 991</b>	<b>( 56)</b>	<b>123 047</b>	<b>144 661</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
<u>Items that will not be reclassified to operating result:</u>					
Increase/(decrease) in asset revaluation surplus	C8-3	2 841 722	1 450 799	1 390 923	4 834 788
<b>Total other comprehensive income</b>		<b>2 841 722</b>	<b>1 450 799</b>	<b>1 390 923</b>	<b>4 834 788</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>2 964 713</b>	<b>1 450 743</b>	<b>1 513 970</b>	<b>4 979 449</b>

\*The 2023-24 Adjusted budget disclosed is presented on a post-machinery-of-government basis (Note A3).

\*\*An explanation of major variances is included at Note E1.

The accompanying notes form part of these financial statements.

Department of Education – Statement of Comprehensive Income by Major Departmental Service  
for the year ended 30 June 2024

	Early Childhood Education and Care		School Education		Industrial Relations*		Racing*		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Income from continuing operations</b>										
Appropriation revenue	522 820	351 279	11 611 821	10 939 843	23 714	37 249	26 073	31 404	12 184 428	11 359 775
User charges and fees	1 733	1 885	507 768	457 538	11 312	21 276	-	-	520 813	480 699
Grants and contributions	853	368	115 677	96 774	73 741	137 893	-	-	190 271	235 035
Interest	-	-	41 186	25 681	-	-	-	-	41 186	25 681
Other revenue	3 880	6 616	41 378	65 398	625	670	-	228	45 883	72 912
<b>Total income from continuing operations</b>	<b>529 286</b>	<b>360 148</b>	<b>12 317 830</b>	<b>11 585 234</b>	<b>109 392</b>	<b>197 088</b>	<b>26 073</b>	<b>31 632</b>	<b>12 982 581</b>	<b>12 174 102</b>
<b>Expenses from continuing operations</b>										
Employee expenses	52 941	49 069	9 114 216	8 731 418	71 814	129 641	265	443	9 239 236	8 910 571
Supplies and services	30 648	30 217	1 825 268	1 681 247	31 339	54 438	1	2	1 887 256	1 765 904
Grants and subsidies	435 478	272 638	69 580	67 196	5 431	10 272	25 792	31 133	536 281	381 239
Depreciation and amortisation	4 676	3 550	1 055 552	843 249	444	810	-	-	1 060 672	847 609
Impairment losses/(gains)	48	106	8 584	8 579	-	6	-	-	8 632	8 691
Finance/borrowing costs	5	4	27 991	25 570	-	-	-	-	27 996	25 574
Other expenses	189	100	98 908	88 948	420	805	-	-	99 517	89 853
<b>Total expenses from continuing operations</b>	<b>523 985</b>	<b>355 684</b>	<b>12 200 099</b>	<b>11 446 207</b>	<b>109 448</b>	<b>195 972</b>	<b>26 058</b>	<b>31 578</b>	<b>12 859 590</b>	<b>12 029 441</b>
<b>Operating result for the year</b>	<b>5 301</b>	<b>4 464</b>	<b>117 731</b>	<b>139 027</b>	<b>( 56)</b>	<b>1 116</b>	<b>15</b>	<b>54</b>	<b>122 991</b>	<b>144 661</b>
<b>Other comprehensive income</b>										
<u>Items that will not be reclassified to operating result:</u>										
Increase/(decrease) in asset revaluation surplus	17 737	34 517	2 823 985	4 800 271	-	-	-	-	2 841 722	4 834 788
<b>Total other comprehensive income</b>	<b>17 737</b>	<b>34 517</b>	<b>2 823 985</b>	<b>4 800 271</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 841 722</b>	<b>4 834 788</b>
<b>Total comprehensive income</b>	<b>23 038</b>	<b>38 981</b>	<b>2 941 716</b>	<b>4 939 298</b>	<b>( 56)</b>	<b>1 116</b>	<b>15</b>	<b>54</b>	<b>2 964 713</b>	<b>4 979 449</b>

\*The Industrial Relations and Racing functions were transferred out of the Department of Education as a result of the 18 December 2023 (effective 1 January 2024) machinery-of-government changes. Further details are provided at Note A3.

Department of Education  
Statement of Financial Position  
as at 30 June 2024

		2024	2024		2023
	Note	Actual	Adjusted budget*	Budget variance**	Actual
		\$'000	\$'000	\$'000	\$'000
<b>Current assets</b>					
Cash and cash equivalents	C1	1 862 616	1 229 127	633 489	1 653 215
Receivables	C2	205 945	137 982	67 963	234 108
Inventories		1 806	2 243	( 437)	2 096
Other current assets		40 778	22 073	18 705	38 724
<b>Total current assets</b>		<b>2 111 145</b>	<b>1 391 425</b>	<b>719 720</b>	<b>1 928 143</b>
<b>Non-current assets</b>					
Property, plant and equipment	C3-1	33 991 748	30 271 452	3 720 296	30 970 268
Right-of-use assets		6 464	-	6 464	6 211
Intangible assets		40 882	34 161	6 721	44 303
<b>Total non-current assets</b>		<b>34 039 094</b>	<b>30 305 613</b>	<b>3 733 481</b>	<b>31 020 782</b>
<b>Total assets</b>		<b>36 150 239</b>	<b>31 697 038</b>	<b>4 453 201</b>	<b>32 948 925</b>
<b>Current liabilities</b>					
Payables	C4	786 897	516 919	269 978	299 303
Borrowings	C5	10 769	11 532	( 763)	9 910
Lease liabilities		559	-	559	571
Accrued employee benefits	C7	139 720	126 356	13 364	335 172
Other current liabilities		94 841	79 859	14 982	89 758
<b>Total current liabilities</b>		<b>1 032 786</b>	<b>734 666</b>	<b>298 120</b>	<b>734 714</b>
<b>Non-current liabilities</b>					
Borrowings	C5	343 713	349 320	( 5 607)	354 482
Lease liabilities		6 411	-	6 411	6 074
Other non-current liabilities		-	228	( 228)	-
<b>Total non-current liabilities</b>		<b>350 124</b>	<b>349 548</b>	<b>576</b>	<b>360 556</b>
<b>Total liabilities</b>		<b>1 382 910</b>	<b>1 084 214</b>	<b>298 696</b>	<b>1 095 270</b>
<b>Net assets</b>		<b>34 767 329</b>	<b>30 612 824</b>	<b>4 154 505</b>	<b>31 853 655</b>
<b>Equity</b>					
Contributed equity		6 225 102			6 276 141
Accumulated surplus		827 339			704 348
Asset revaluation surplus	C8-3	27 714 888			24 873 166
<b>Total equity</b>		<b>34 767 329</b>	<b>30 612 824</b>	<b>4 154 505</b>	<b>31 853 655</b>

\*The 2023-24 Adjusted budget disclosed is presented on a post-machinery-of-government basis (Note A3).

\*\*An explanation of major variances is included at Note E1.

The accompanying notes form part of these financial statements.

Department of Education – Statement of Assets and Liabilities by Major Departmental Service  
as at 30 June 2024

	Early Childhood Education and Care		School Education		Industrial Relations*		Racing*		General - not attributed		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Current assets</b>												
Cash and cash equivalents	-	-	789 468	801 742	-	22 598	-	-	1 073 148	828 875	1 862 616	1 653 215
Receivables	17 611	3 480	188 334	213 607	-	16 526	-	495	-	-	205 945	234 108
Inventories	-	-	1 806	2 096	-	-	-	-	-	-	1 806	2 096
Other current assets	-	-	40 778	37 203	-	1 521	-	-	-	-	40 778	38 724
<b>Total current assets</b>	<b>17 611</b>	<b>3 480</b>	<b>1 020 386</b>	<b>1 054 648</b>	<b>-</b>	<b>40 645</b>	<b>-</b>	<b>495</b>	<b>1 073 148</b>	<b>828 875</b>	<b>2 111 145</b>	<b>1 928 143</b>
<b>Non-current assets</b>												
Property, plant and equipment	171 133	157 995	33 820 615	30 810 120	-	2 153	-	-	-	-	33 991 748	30 970 268
Right-of-use assets	-	-	6 464	6 211	-	-	-	-	-	-	6 464	6 211
Intangible assets	2 158	2 280	38 724	37 080	-	4 943	-	-	-	-	40 882	44 303
<b>Total non-current assets</b>	<b>173 291</b>	<b>160 275</b>	<b>33 865 803</b>	<b>30 853 411</b>	<b>-</b>	<b>7 096</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34 039 094</b>	<b>31 020 782</b>
<b>Total assets</b>	<b>190 902</b>	<b>163 755</b>	<b>34 886 189</b>	<b>31 908 059</b>	<b>-</b>	<b>47 741</b>	<b>-</b>	<b>495</b>	<b>1 073 148</b>	<b>828 875</b>	<b>36 150 239</b>	<b>32 948 925</b>
<b>Current liabilities</b>												
Payables	28 296	18 593	758 601	276 008	-	4 665	-	37	-	-	786 897	299 303
Borrowings	-	-	10 769	9 910	-	-	-	-	-	-	10 769	9 910
Lease liabilities	-	-	559	571	-	-	-	-	-	-	559	571
Accrued employee benefits	1 570	1 477	138 150	328 033	-	5 651	-	11	-	-	139 720	335 172
Other current liabilities	146	227	94 695	89 397	-	134	-	-	-	-	94 841	89 758
<b>Total current liabilities</b>	<b>30 012</b>	<b>20 297</b>	<b>1 002 774</b>	<b>703 919</b>	<b>-</b>	<b>10 450</b>	<b>-</b>	<b>48</b>	<b>-</b>	<b>-</b>	<b>1 032 786</b>	<b>734 714</b>
<b>Non-current liabilities</b>												
Borrowings	-	-	343 713	354 482	-	-	-	-	-	-	343 713	354 482
Lease liabilities	-	-	6 411	6 074	-	-	-	-	-	-	6 411	6 074
<b>Total non-current liabilities</b>	<b>-</b>	<b>-</b>	<b>350 124</b>	<b>360 556</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>350 124</b>	<b>360 556</b>
<b>Total liabilities</b>	<b>30 012</b>	<b>20 297</b>	<b>1 352 898</b>	<b>1 064 475</b>	<b>-</b>	<b>10 450</b>	<b>-</b>	<b>48</b>	<b>-</b>	<b>-</b>	<b>1 382 910</b>	<b>1 095 270</b>

\*The Industrial Relations and Racing functions were transferred out of the Department of Education as a result of the 18 December 2023 (effective 1 January 2024) machinery-of-government changes. Further details are provided at Note A3.

Department of Education  
Statement of Changes in Equity  
for the year ended 30 June 2024

	Note	Accumulated surplus	Asset revaluation surplus	Contributed equity	Total
		\$'000	\$'000	\$'000	\$'000
<b>Balance as at 1 July 2022</b>		<b>559 687</b>	<b>20 038 378</b>	<b>5 700 877</b>	<b>26 298 942</b>
<b>Operating result</b>					
Operating result from continuing operations		144 661	-	-	144 661
<b>Other comprehensive income</b>					
Increase/(decrease) in asset revaluation surplus	C8-3	-	4 834 788	-	4 834 788
<b>Total comprehensive income for the year</b>		<b>144 661</b>	<b>4 834 788</b>	<b>-</b>	<b>4 979 449</b>
<b>Transactions with owners as owners</b>					
Appropriated equity injections/(withdrawals)	C8-2	-	-	575 250	575 250
Non-appropriated equity injections		-	-	14	14
<b>Net transactions with owners as owners</b>		<b>-</b>	<b>-</b>	<b>575 264</b>	<b>575 264</b>
<b>Balance as at 30 June 2023</b>		<b>704 348</b>	<b>24 873 166</b>	<b>6 276 141</b>	<b>31 853 655</b>
<b>Balance as at 1 July 2023</b>		<b>704 348</b>	<b>24 873 166</b>	<b>6 276 141</b>	<b>31 853 655</b>
<b>Operating result</b>					
Operating result from continuing operations		122 991	-	-	122 991
<b>Other comprehensive income</b>					
Increase/(decrease) in asset revaluation surplus	C8-3	-	2 841 722	-	2 841 722
<b>Total comprehensive income for the year</b>		<b>122 991</b>	<b>2 841 722</b>	<b>-</b>	<b>2 964 713</b>
<b>Transactions with owners as owners</b>					
Net transfers in/(out) from other Queensland Government entities	A3	-	-	( 37 233)	( 37 233)
Appropriated equity injections/(withdrawals)	C8-2	-	-	( 15 306)	( 15 306)
Non-appropriated equity injections		-	-	1 500	1 500
<b>Net transactions with owners as owners</b>		<b>-</b>	<b>-</b>	<b>( 51 039)</b>	<b>( 51 039)</b>
<b>Balance as at 30 June 2024</b>		<b>827 339</b>	<b>27 714 888</b>	<b>6 225 102</b>	<b>34 767 329</b>

The accompanying notes form part of these financial statements.

Department of Education  
Statement of Cash Flows  
for the year ended 30 June 2024

	2024	2024		2023
Note	Actual	Adjusted budget*	Budget variance**	Actual
	\$'000	\$'000	\$'000	\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<i>Inflows:</i>				
Service appropriation receipts	12 697 938	12 107 917	590 021	11 091 882
User charges and fees	525 133	447 972	77 161	461 143
Grants and contributions	171 995	144 960	27 035	212 996
Interest receipts	41 186	10 003	31 183	25 681
GST input tax credits from ATO	371 328	-	371 328	345 957
GST collected from customers	25 171	-	25 171	34 842
Other	45 860	20 039	25 821	72 291
<i>Outflows:</i>				
Employee expenses	(9 447 312)	(9 004 919)	( 442 393)	(8 673 109)
Supplies and services	(1 868 271)	(2 210 759)	342 488	(2 123 649)
Grants and subsidies	( 540 622)	( 530 718)	( 9 904)	( 373 400)
Finance/borrowing costs	( 27 996)	( 25 717)	( 2 279)	( 25 574)
GST paid to suppliers	(373 675)	-	(373 675)	(350 177)
GST remitted to ATO	( 25 237)	-	( 25 237)	( 34 248)
Other	( 95 997)	(99 135)	3 138	(87 277)
<b>Net cash provided by/(used in) operating activities</b>	<b>1 499 501</b>	<b>859 643</b>	<b>639 858</b>	<b>577 358</b>
	CF-1			
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<i>Inflows:</i>				
Sales of property, plant and equipment	1 975	-	1 975	479
<i>Outflows:</i>				
Payments for property, plant and equipment	(1 232 130)	(1 533 269)	301 139	(1 065 488)
<b>Net cash provided by/(used in) investing activities</b>	<b>(1 230 155)</b>	<b>(1 533 269)</b>	<b>303 114</b>	<b>(1 065 009)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<i>Inflows:</i>				
Equity injections	68 402	688 751	( 620 349)	575 250
<i>Outflows:</i>				
Equity withdrawals	( 82 208)	-	( 82 208)	-
Repayments of borrowings	( 9 910)	( 9 910)	-	( 9 107)
Lease payments	( 648)	( 187)	( 461)	( 1 118)
<b>Net cash provided by/(used in) financing activities</b>	<b>( 24 364)</b>	<b>678 654</b>	<b>( 703 018)</b>	<b>565 025</b>
	CF-2			
	CF-2			
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>244 982</b>	<b>5 028</b>	<b>239 954</b>	<b>77 374</b>
Cash transfers from machinery-of-government restructure	( 35 581)	( 46 774)	11 193	-
<b>Cash and cash equivalents - opening balance</b>	<b>1 653 215</b>	<b>1 270 873</b>	<b>382 342</b>	<b>1 575 841</b>
<b>Cash and cash equivalents - closing balance</b>	<b>1 862 616</b>	<b>1 229 127</b>	<b>633 489</b>	<b>1 653 215</b>
	C1			

\*The 2023-24 Adjusted budget disclosed is presented on a post-machinery-of-government basis (Note A3).

\*\*An explanation of major variances is included at Note E1.

The accompanying notes form part of these financial statements.



Department of Education  
Statement of Cash Flows  
for the year ended 30 June 2024

**NOTES TO THE STATEMENT OF CASH FLOWS**

**CF-1 Reconciliation of operating result to net cash provided by operating activities**

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Operating surplus/(deficit)</b>	<b>122 991</b>	144 661
<b>Non-cash items included in operating result:</b>		
Depreciation and amortisation expense	<b>1 060 672</b>	847 609
Loss on disposal of property, plant and equipment	<b>3 532</b>	2 576
Donated assets received	<b>( 19 012)</b>	( 15 807)
Assets received below fair value	-	( 4 550)
Bad debts and impairment losses/(gains)	<b>8 632</b>	8 691
<b>Change in assets and liabilities:</b>		
(Increase)/decrease in GST input tax credits receivable	<b>( 2 413)</b>	( 3 628)
(Increase)/decrease in net operating receivables	<b>13 503</b>	( 72 971)
(Increase)/decrease in inventories	<b>290</b>	147
(Increase)/decrease in other current assets	<b>( 2 326)</b>	13 512
Increase/(decrease) in other current liabilities	<b>11 117</b>	9 684
Increase/(decrease) in GST payable	-	1
Increase/(decrease) in payables	<b>493 264</b>	( 563 171)
Increase/(decrease) in accrued employee benefits	<b>( 190 749)</b>	210 604
<b>Net cash provided by operating activities</b>	<b>1 499 501</b>	<b>577 358</b>

**CF-2 Changes in liabilities arising from financing activities**

	Closing balance 2022	Non-cash adjustments	Cash repayments	Closing balance 2023
	\$'000	\$'000	\$'000	\$'000
Borrowings	373 499	-	( 9 107)	<b>364 392</b>
Lease liabilities	6 841	922	( 1 118)	<b>6 645</b>
<b>Total</b>	<b>380 340</b>	<b>922</b>	<b>( 10 225)</b>	<b>371 037</b>

	Closing balance 2023	Non-cash adjustments	Cash repayments	Closing balance 2024
	\$'000	\$'000	\$'000	\$'000
Borrowings	364 392	-	( 9 910)	<b>354 482</b>
Lease liabilities	6 645	973	( 648)	<b>6 970</b>
<b>Total</b>	<b>371 037</b>	<b>973</b>	<b>( 10 558)</b>	<b>361 452</b>

Further details on Borrowings are provided at Note C5.

Department of Education  
Notes to the Financial Statements  
for the year ended 30 June 2024

**SECTION 1**  
**ABOUT THE DEPARTMENT AND THIS FINANCIAL REPORT**

## **A1 BASIS OF FINANCIAL STATEMENT PREPARATION**

### **A1-1 GENERAL INFORMATION**

The Department of Education (the department) is a Queensland Government department established under the *Public Sector Act 2022* (Qld) and controlled by the State of Queensland, which is the ultimate parent.

The head office and principal place of business of the department is:

Education House  
30 Mary Street  
Brisbane QLD 4000

### **A1-2 COMPLIANCE WITH PRESCRIBED REQUIREMENTS**

The department has prepared these general purpose financial statements:

- in compliance with s 38 of the *Financial and Performance Management Standard 2019* (Qld);
- in compliance with Queensland Treasury's Financial Reporting Requirements for reporting periods beginning on or after 1 July 2023;
- in accordance with Australian Accounting Standards and interpretations applicable to not-for-profit entities; and
- on an accrual basis (except for the statement of cash flows which is prepared on a cash basis).

New accounting standards early adopted and/or applied for the first time in these financial statements are outlined at Note G3.

### **A1-3 PRESENTATION**

#### **Currency and rounding**

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.

#### **Comparatives**

Comparative information reflects the audited 2022-23 financial statements.

#### **Current/non-current classification**

Assets and liabilities are classified as either 'current' or 'non-current' in the statement of financial position and associated notes.

Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date.

Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or the department does not have an unconditional right 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 department's 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 except for the following:

- land, buildings, heritage and cultural assets which are measured at fair value; and
- inventories which are measured at the lower of cost and net realisable value.

### **A1-6 THE REPORTING ENTITY**

These financial statements cover the Department of Education and include all income, expenses, assets, liabilities and equity of the department as an individual entity.

Machinery-of-government changes dated 18 December 2023 have impacted comparisons to 2022-23 amounts. Pursuant to s 80 of the *Financial Accountability Act 2009*, for financial reporting purposes the effective date of transfer was 1 January 2024. The exclusion of the Office of Industrial Relations and Office of Racing functions from 1 January 2024 is reflected in the preceding statement of comprehensive income by major departmental service and the statement of assets and liabilities by major departmental service.

Material changes for transferred assets, liabilities, equity and appropriation revenue are detailed at Note A3.

Department of Education  
Notes to the Financial Statements  
for the year ended 30 June 2024

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## A2 DEPARTMENTAL OBJECTIVES

The department's vision is that we are committed to equity and excellence in everything we do.

The department's purpose is to deliver a high equity, high quality early childhood and school education system which provides a strong start for all children and supports every student to realise their potential.

The department's **Equity and Excellence Strategy** is a progressive, high performing education system realising the potential of every student. Equity and excellence outcomes are delivered by focusing on educational achievement, wellbeing and engagement, and culture and inclusion.

The key objectives for the department are:

- **A strong start for all children** by setting critical foundations for children's futures through quality early childhood services;
- **Every student realising their potential** by embedding equity and excellence in education to prepare all children and young people for a positive future; and
- **Capable people delivering our vision** by investing in our people, services and infrastructure to deliver for Queenslanders.

The department supports the Queensland Government's objectives for the community which are:

- **Good jobs** - good, secure jobs in our traditional and emerging industries;
- **Better services** - deliver even better services right across Queensland; and
- **Great lifestyle** - protect and enhance our Queensland lifestyle as we grow.

The department is funded for the services it delivers principally by parliamentary appropriations. The department's material financial statement balances reflect our large school land and buildings portfolio across over 1,260 schools and the payment of salaries for our school, regional and central office staff. Supplies and services are dominated by curriculum resources and the maintenance and upkeep of our large asset base, including operational contract costs.

The major services delivered by the department are as follows:

### Early childhood education and care

Queensland children engaged in quality early years programs that support learning and development and strengthen successful transitions to school.

### School education

Queensland students engaged in learning, achieving and successfully transitioning to further education, training and work.

## A3 MACHINERY-OF-GOVERNMENT CHANGES

### Transfers out – Controlled activities

Details of transfer: Office of Racing and Office of Industrial Relations functions transferred from the department to the Department of State Development and Infrastructure

Basis of transfer: Public Service Departmental Arrangements Notice (No.5) 2023 dated 18 December 2023

Date of transfer: 1 January 2024

The assets and liabilities of the Office of Industrial Relations transferred as a result of this change were as follows:

	<b>\$'000</b>
<b>Assets</b>	
Cash	35 581
Receivables (trade debtors)	8 444
Other current assets	272
Intangibles	7 430
Property, plant and equipment	1 913
	53 640
<b>Liabilities</b>	
Payables	5 670
Accrued employee benefits	4 703
Other current liabilities	6 034
	16 407
<b>Net Assets</b>	<b>37 233</b>

Department of Education  
Notes to the Financial Statements  
for the year ended 30 June 2024

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### A3 MACHINERY-OF-GOVERNMENT CHANGES (continued)

#### Transfers out – Controlled activities (continued)

There was Nil assets or liabilities transferred for the Office of Racing.

The decrease in assets of \$37.233 million has been accounted for as a decrease in contributed equity as disclosed in the statement of changes in equity.

Budgeted appropriation revenue of \$56.122 million (Office of Racing: \$22.144 million; Office of Industrial Relations: \$33.978 million) was reallocated from the department to the Department of State Development and Infrastructure as part of the machinery-of-government changes.

#### Transfers out – Administered activities

Details of transfer: Office of Racing and Office of Industrial Relations functions transferred from the department to the Department of State Development and Infrastructure

Basis of transfer: Public Service Departmental Arrangements Notice (No.5) 2023 dated 18 December 2023

Date of transfer: 1 January 2024

The assets and liabilities of the Office of Industrial Relations transferred as a result of this change were as follows:

	\$'000
<b>Assets</b>	
Cash	672
Receivables (trade debtors)	14 526
	15 198
<b>Liabilities</b>	
Transfer to government payable	15 198
	15 198
<b>Net Assets</b>	-

There was Nil assets or liabilities transferred for the Office of Racing.

Budgeted appropriation revenue of \$184.386 million for the Office of Racing was reallocated from the department to the Department of State Development and Infrastructure as part of the machinery-of-government changes.

### A4 CONTROLLED ENTITIES

The following entity is controlled by the department:

Name:	Queensland Education Leadership Institute (QELi)
Purpose:	QELi was established in June 2010 to provide a range of professional learning services to school leaders.
Structure and control:	QELi is a not-for-profit public company, limited by guarantee, jointly owned by the Minister for Education and the department. Membership of the company's constitution is 100% controlled by the Minister for Education and the department's Director-General.
Operation and reporting:	Given the activities of the company, no dividends or other financial returns are received by the department. There are no significant restrictions on the department's ability to access the company's assets or settle its liabilities. The assets, liabilities, revenues and expenses of this entity have not been consolidated in these financial statements, as they would not materially affect the reported financial position and operating revenue and expenses. The company produces separate financial reports and is audited by the Queensland Audit Office.
Ceasing of operations:	On 30 September 2023, QELi ceased operations, commenced wind-up proceedings and transferred its leadership capability development activities to the department's Education Futures Institute.  As a result of the wind-up, in accordance with the Board's resolutions and the department's approval, surplus assets of the company will be gifted to the Australian Institute for Teaching and School Leadership Limited, a registered charity with the Australian Charities and Not-for-profits Commission. As at 30 June 2024, the wind-up was in progress.

Department of Education  
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**SECTION 2**  
**NOTES ABOUT OUR FINANCIAL PERFORMANCE**

**B1 REVENUE**

**B1-1 APPROPRIATION REVENUE**

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

	2024 \$'000	2023 \$'000
Budgeted appropriation revenue	12 151 259	11 131 218
Transfers from/(to) other departments - redistribution of public business	( 43 635)	-
Transfers from/(to) other headings - variation in headings	-	( 39 336)
Unforeseen expenditure	590 314	-
<b>Total appropriation receipts (cash)</b>	<b>12 697 938</b>	<b>11 091 882</b>
Less: Opening balance of appropriation revenue receivable	( 41 081)	-
Plus: Closing balance of appropriation revenue receivable	-	41 081
Plus: Opening balance of deferred appropriation payable to Consolidated Fund	-	226 812
Less: Closing balance of deferred appropriation payable to Consolidated Fund	( 472 429)	-
<b>Appropriation revenue recognised in statement of comprehensive income</b>	<b>12 184 428</b>	<b>11 359 775</b>

**Accounting policy – Appropriation revenue**

Appropriations provided under the *Appropriation Act 2023* are recognised as revenue when received in accordance with AASB 1058 *Income of Not-for-Profit Entities*. Where the department has an obligation to return unspent (or unapplied) appropriation receipts to Consolidated Fund at year end (a deferred appropriation payable 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. Capital appropriations are recognised as adjustments to equity, refer to Note C8-2.

At 30 June 2024, the department received approval from Queensland Treasury to recognise a payable for appropriation that was received from the Consolidated Fund but unspent.

**B1-2 USER CHARGES AND FEES**

	2024 \$'000	2023 \$'000
Student fees	95 445	73 692
General fees	79 995	73 747
Student resource scheme fees	101 628	97 112
Excursion fees	101 750	95 962
Property income	39 622	34 917
Sales revenue	82 737	77 930
Workers' compensation self-insurer levies	5 971	10 934
Service delivery	9 693	9 251
Electrical licensing registration fees	3 180	6 601
Other fees and commissions	792	553
<b>Total</b>	<b>520 813</b>	<b>480 699</b>

**Accounting policy – User charges and fees**

The department recognises user charges and fees when delivery of the goods or services in full or part has occurred, in accordance with AASB 15 *Revenue from Contracts with Customers*. User charges outside the scope of AASB 15 are recognised in accordance with the requirements of the applicable accounting standard.

Student fees

Student fees include international student tuition fees, homestay fees and dependant program fees. In accordance with AASB 15, a contractual liability is initially recognised upon receipt of funds, with revenue recognised over time as the performance obligations are met and students receive the services.

Department of Education  
Notes to the Financial Statements  
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## B1 REVENUE (continued)

### B1-2 USER CHARGES AND FEES (continued)

#### Accounting policy – User charges and fees (continued)

##### General fees

General fees include the provision of a wide variety of goods and services including school sports revenue; rural, remote and international fees; and other miscellaneous items. The majority of revenue is recognised at the point in time the goods or services are delivered in accordance with AASB 15.

##### Student resource scheme fees

Student resource scheme fees relating to bulk provisioning and/or hire of textbooks, resources, consumables and materials are invoiced to parents/caregivers at the beginning of each school (calendar) year. In accordance with AASB 15, a contractual liability is raised for the unearned portion of the income with revenue subsequently recognised over time as the performance obligations are met and the resources are provided to students.

##### Excursion fees

Excursion fees relate to charges for excursions, field trips and camps. Revenue is recognised at the point in time the revenue is received in accordance with AASB 15, which approximates the delivery of the services.

##### Property income

Property income relates to income from hire of facilities such as hall hire, oval hire and court hire. Revenue is recognised at the point in time the revenue is received in accordance with AASB 15, which approximates the delivery of the services.

##### Sales revenue

Sales revenue relates to revenue from tuckshops, uniform shops and other miscellaneous goods and services provided to students. Revenue is recognised at the point in time that the goods or services are provided in accordance with AASB 15.

### B1-3 GRANTS AND CONTRIBUTIONS

	2024 \$'000	2023 \$'000
Contributions from WorkCover Queensland	63 340	118 656
Contributions from external parties	38 628	44 771
Grants from the Commonwealth Government	27 405	28 535
Grants from other State Government departments	4 821	3 280
Special purpose capital grants	22 345	2 750
Goods and services received below fair value	4 905	4 773
Assets received below fair value	-	4 550
Donations - cash	9 815	11 913
Donations - other assets*	19 012	15 807
<b>Total</b>	<b>190 271</b>	<b>235 035</b>

\* Donated physical assets are recognised at their fair value.

#### Accounting policy – Grants and contributions

Grants, contributions and donations revenue arise from non-exchange transactions where the department does not directly give approximately equal value to the grantor. Generally, these transactions are accounted for in accordance with AASB 1058 *Income for Not-for-Profit Entities* with revenue recognised upon receipt of the grant funding or donation.

Where the grant agreement is enforceable and contains sufficiently specific performance obligations for the department to transfer goods or services to a third-party on the grantor's behalf, the transaction is accounted for in accordance with AASB 15 *Revenue from Contracts with Customers*. In this case, revenue is initially deferred (as a contract liability) and recognised as or when the performance obligations are satisfied. The department has no specific performance obligations under the current grant agreements and therefore, revenue is recognised as income upon receipt.

Department of Education  
Notes to the Financial Statements  
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## B1 REVENUE (continued)

### B1-3 GRANTS AND CONTRIBUTIONS (continued)

#### Accounting policy – Grants and contributions (continued)

##### Contributions from WorkCover Queensland

Contributions from WorkCover Queensland include Workplace Health & Safety Grants and Workers' Compensation Regulator Grants. These grants are enabled under s 481A of the *Workers' Compensation and Rehabilitation Act 2003* (Qld) at the direction of the Minister. They represent non-contractual income arising from a statutory requirement which is recognised as income upon receipt in accordance with AASB 1058.

##### Contributions from external parties

Contributions from external parties include Electrical Safety Contributions levied under s 201 of the *Electrical Safety Act 2002* (Qld), which represents non-contractual income arising from a statutory requirement. Also included are contributions from community organisations (such as Parents and Citizens' Associations). These contributions are voluntary and do not result in a material benefit or advantage to the contributor, and therefore, are recognised as income upon receipt in accordance with AASB 1058. The consideration received represents an asset provided to the department for significantly less than fair value to enable the department to further its objectives.

##### Assets received below fair value

Assets acquired at no cost or for a nominal consideration, other than those acquired through machinery-of-government changes, must be recognised initially at fair value as at the date of acquisition. In such cases, the initial recognition is treated as a revenue item, 'assets received below fair value', and not as a credit to an asset revaluation surplus.

## B2 EXPENSES

### B2-1 EMPLOYEE EXPENSES

	2024 \$'000	2023 \$'000
<b>Employee benefits</b>		
Teachers' salaries and allowances*	5 407 795	5 355 961
Public servants' and other salaries and allowances	1 116 629	977 657
Teacher aides' salaries	656 880	624 397
Cleaners' salaries and allowances	260 616	254 164
Janitors/groundstaff salaries and allowances	75 334	71 913
Employer superannuation contributions	1 005 108	949 905
Annual leave levy/expense	286 086	274 749
Long service leave levy/expense	201 202	191 792
Other employee benefits	1 151	14 706
<b>Employee related expenses</b>		
Fringe benefits tax	5 258	4 146
Workers' compensation premium	115 721	87 696
Staff transfer costs	20 795	22 204
Staff rental accommodation	48 256	43 011
Staff training	38 405	38 270
<b>Total</b>	<b>9 239 236</b>	<b>8 910 571</b>

\* This category includes \$178.559 million in 2022-23 for accrued Cost of Living Allowance (COLA) payment for teachers (calculation date of 30 June 2023 and payment date of August 2023). The payment is in accordance with the department's current State School Teachers' certified enterprise bargaining agreement 2022 (certified on 15 December 2022). No COLA expense was incurred in 2023-24.

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

	2024 No.	2023 No.
Full-time equivalent employees*	76 459	76 215

\* In 2024 a total of 998 full-time equivalent employees were transferred out of the department as a result of the 18 December 2023 (effective 1 January 2024) machinery-of-government changes (Note A3).

Department of Education  
Notes to the Financial Statements  
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## **B2 EXPENSES (Continued)**

### **B2-1 EMPLOYEE EXPENSES (continued)**

#### **Accounting policy – Employee expenses**

##### Wages and salaries

Wages and salaries expenses are recognised in the reporting period in which the employees rendered the related services.

Wages and salaries due but unpaid at reporting date are recognised in the statement of financial position at the current salary rates. As the department expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted values.

##### Sick leave

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

##### Annual leave and long service leave

The entitlement for annual leave includes a component for accrued leave loading for teaching staff working at schools, but does not include recreation leave, which is not an entitlement under their award.

Under the Queensland Government's Annual Leave Central Scheme and Long Service Leave Central Scheme, levies are payable by the department to cover the cost of employee leave (including leave loading and on-costs). 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 back from the scheme quarterly in arrears.

##### Superannuation

Post-employment benefits for superannuation are provided through defined contribution (accumulation) plans or the Queensland Government's defined benefit plans which are administered by the Government Division of 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 (EBA) 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 plans – 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 by the Treasurer 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.

##### Workers' compensation premiums

The department pays premiums to WorkCover Queensland in respect of its obligations for employee compensation.

Key management personnel and remuneration disclosures are detailed at Note G1.



Department of Education  
Notes to the Financial Statements  
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**B2 EXPENSES (Continued)**

**B2-2 SUPPLIES AND SERVICES**

	2024 \$'000	2023 \$'000
Building maintenance	568 243	444 699
Utilities	220 947	210 031
Equipment and building refurbishment	271 562	347 416
Consultants	1 746	3 696
Contractors:		
Professional and technical services	53 937	41 294
Information technology services	53 450	50 140
Other	1 485	2 236
Contractors - in-school costs:		
Operational services	5 259	4 620
Professional and technical services	70 774	70 888
Information technology services	3 705	3 121
Non-professional services	25 240	18 717
Materials and running costs	187 666	165 332
Student course supplies and excursion admission costs	210 272	198 748
Payments to shared service provider/inter-agency services	1 069	2 036
Computer costs	113 504	113 513
Office accommodation	41 141	40 764
Travel - school and student	35 688	28 725
Travel - other	18 724	17 628
Lease expenses	2 844	2 300
<b>Total</b>	<b>1 887 256</b>	<b>1 765 904</b>

**Accounting policy – Supplies and services**

Distinction between grants and procurement

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

Contractors

Where it is not feasible for services required to be performed in-house, the department utilises contractors for critical functions, including for projects and where specialist skills are required and cannot be found in-house. Contractors are procured for various non-professional and professional services. Examples of non-professional services include trade service providers (plumbers, electricians, carpenters etc.), office services and cleaning services. Examples of professional services include medical assessments, rehabilitation, counselling, and specialist skills for information technology system support and maintenance services.

**B2-3 GRANTS AND SUBSIDIES**

	2024 \$'000	2023 \$'000
<b>Recurrent grants and subsidies</b>		
Early childhood education and care	435 478	272 638
School education	69 580	67 196
Racing	-	15 000
Industrial relations	5 431	10 272
<b>Capital grants</b>		
Grants to external organisations	25 792	16 133
<b>Total</b>	<b>536 281</b>	<b>381 239</b>

Department of Education  
Notes to the Financial Statements  
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**B2 EXPENSES (Continued)**

**B2-4 OTHER EXPENSES**

	<b>2024</b>	2023
	<b>\$'000</b>	\$'000
Insurance premiums - Queensland Government Insurance Fund (QGIF)	<b>33 900</b>	31 825
External audit fees <sup>(1)</sup>	<b>884</b>	658
Loss on disposal of property, plant and equipment	<b>3 532</b>	2 576
Special payments:		
Ex-gratia payments - general <sup>(2)</sup>	<b>83</b>	28
Court awarded damages	<b>295</b>	623
Payments to other government departments <sup>(3)</sup>	<b>57 472</b>	50 790
Other	<b>3 351</b>	3 353
<b>Total</b>	<b>99 517</b>	89 853

(1) Total external audit fees quoted by the Queensland Audit Office relating to the 2023-24 financial year are \$0.746 million (2022-23: \$0.710 million). There are no non-audit services included in this amount.

(2) Special payments represent ex-gratia expenditure and other expenditure that the department is not contractually or legally obligated to make to other parties. The department made two special payments during 2023-24 that were in excess of \$5,000 to cover property damage costs due to a weather event and for compensation relating to a discrimination and human rights complaint.

(3) Payments to other government departments mainly relate to school transport arrangements with the Department of Transport and Main Roads.

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**SECTION 3  
NOTES ABOUT OUR FINANCIAL POSITION**

**C1 CASH AND CASH EQUIVALENTS**

	<b>2024</b>	2023
	<b>\$'000</b>	\$'000
Cash on hand	87	103
Cash at bank	<b>1 862 529</b>	1 653 112
<b>Total</b>	<b>1 862 616</b>	1 653 215

**Accounting policy – Cash and cash equivalents**

Cash and cash equivalents include cash on hand, cheques receipted but not banked at 30 June and cash in school and central office and school bank accounts which are used in the day-to-day cash management of the department.

Departmental bank accounts (excluding school bank accounts and Education Queensland International bank account) are grouped within the whole-of-government set-off arrangement with the Queensland Treasury Corporation. Interest earned on the aggregate set-off arrangement balance accrues to the Consolidated Fund.

**C2 RECEIVABLES**

	<b>2024</b>	2023
	<b>\$'000</b>	\$'000
<b>Current</b>		
Trade receivables	<b>98 597</b>	97 812
Less: Loss allowance	<b>( 27 011)</b>	( 24 086)
	<b>71 586</b>	73 726
GST receivable	<b>41 513</b>	39 100
GST payable	<b>( 1)</b>	( 1)
	<b>41 512</b>	39 099
Employee leave reimbursements	<b>91 170</b>	78 055
Appropriation revenue receivable	<b>-</b>	41 081
Other	<b>1 670</b>	2 137
Loans and advances	<b>7</b>	10
<b>Total</b>	<b>205 945</b>	234 108

**Disclosure – Movement in loss allowance for trade receivables**

	<b>2024</b>	2023
	<b>\$'000</b>	\$'000
Balance at 1 July	<b>24 086</b>	20 643
Expected credit losses expense/(gains)	<b>8 564</b>	8 617
Bad debts written-off	<b>( 5 660)</b>	( 5 189)
Amounts recovered during the year	<b>21</b>	15
<b>Balance at 30 June</b>	<b>27 011</b>	24 086

Department of Education  
Notes to the Financial Statements  
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## **C2 RECEIVABLES (continued)**

### **Accounting policy – Receivables**

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

Trade debtors are recognised at the amounts due at the time of sale or service delivery, that is the agreed purchase/contract price. Settlement of trade debtors is required within 30 days from invoice date.

Employee leave reimbursements relate to the Queensland Government's Annual Leave and Long Service Leave Central Schemes which are administered by the Government Division of Australian Retirement Trust on behalf of the state (Note B2-1).

The maximum exposure to credit risk at balance date for receivables is the gross carrying amount of these assets inclusive of any allowance for impairment. No collateral is held as security and no credit enhancements related to receivables are held by the department.

The department uses a provision matrix to measure the expected credit losses on trade and other debtors. The department has determined that parents/caregivers of students are the only material grouping for measuring expected credit losses.

Calculations reflect historical credit losses. The historical default rates are then adjusted by reasonable and forward-looking information on expected changes in macroeconomic indicators that affect the future recovery of those receivables. The department uses the change in the Consumer Price Index (CPI) for Brisbane as the most relevant forward-looking indicator for receivables.

Where the department has receivables from Queensland Government agencies or the Australian Government, no loss allowance is recorded for these receivables on the basis of materiality. Refer to Note D1-2 for the department's credit risk management policies.

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**C3 PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION EXPENSE**

**C3-1 CLOSING BALANCES AND RECONCILIATION OF CARRYING AMOUNT**

	at Fair Value			at Cost		Total
	Land	Buildings	Heritage and cultural	Plant and equipment	Work in progress	
	2024 \$'000	2024 \$'000	2024 \$'000	2024 \$'000	2024 \$'000	
<b>Property, plant and equipment reconciliation</b>						
<b>2024</b>						
Gross	7 659 216	41 073 435	560 685	617 814	617 336	50 528 486
Less: Accumulated depreciation	-	(15 820 075)	( 316 847)	( 399 816)	-	(16 536 738)
<b>Carrying amount at 30 June 2024</b>	<b>7 659 216</b>	<b>25 253 360</b>	<b>243 838</b>	<b>217 998</b>	<b>617 336</b>	<b>33 991 748</b>
<i>Represented by movements in carrying amount:</i>						
Carrying amount at 1 July 2023	7 108 290	22 651 750	236 284	210 161	763 783	30 970 268
Acquisitions (including upgrades)	25 677	483 505	3 001	57 688	652 149	1 222 020
Donations received	-	17 656	253	1 100	-	19 009
Disposals	( 1 510)	( 2 606)	-	( 1 356)	-	( 5 472)
Transfers out to other Queensland Government entities	-	-	( 338)	( 1 566)	( 9)	( 1 913)
Donations made	-	-	-	( 35)	-	( 35)
Transfers between asset classes (including (to)/from intangibles)	2 438	784 823	( 472)	11 420	( 798 587)	( 378)
Net revaluation increments/(decrements) in asset revaluation surplus	524 321	2 296 313	21 088	-	-	2 841 722
Depreciation expense	-	( 978 081)	( 15 978)	( 59 414)	-	(1 053 473)
<b>Carrying amount at 30 June 2024</b>	<b>7 659 216</b>	<b>25 253 360</b>	<b>243 838</b>	<b>217 998</b>	<b>617 336</b>	<b>33 991 748</b>

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**C3 PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION EXPENSE (continued)**

**C3-1 CLOSING BALANCES AND RECONCILIATION OF CARRYING AMOUNT (continued)**

Property, plant and equipment reconciliation	at Fair Value			at Cost		Total
	Land	Buildings	Heritage and cultural	Plant and equipment	Work in progress	
	2023 \$'000	2023 \$'000	2023 \$'000	2023 \$'000	2023 \$'000	
<b>2023</b>						<b>2023</b>
Gross	7 108 290	36 626 681	521 565	587 780	763 783	45 608 099
Less: Accumulated depreciation	-	(13 974 931)	( 285 281)	( 377 619)	-	(14 637 831)
<b>Carrying amount at 30 June 2023</b>	<b>7 108 290</b>	<b>22 651 750</b>	<b>236 284</b>	<b>210 161</b>	<b>763 783</b>	<b>30 970 268</b>
<i>Represented by movements in carrying amount:</i>						
Carrying amount at 1 July 2022	6 452 648	18 383 006	37 924	211 129	564 944	25 649 651
Acquisitions (including upgrades)	9 307	506 870	2 822	55 176	740 425	1 314 600
Donations received	-	14 800	-	991	-	15 791
Disposals	-	( 1 764)	( 13)	( 1 271)	-	( 3 048)
Donations made	-	-	-	( 7)	-	( 7)
Transfers between asset classes (including (to)/from intangibles)	53 625	369 796	114 171	1 222	( 541 586)	( 2 772)
Net revaluation increments/(decrements) in asset revaluation surplus	592 710	4 149 571	92 507	-	-	4 834 788
Depreciation expense	-	( 770 529)	( 11 127)	( 57 079)	-	( 838 735)
<b>Carrying amount at 30 June 2023</b>	<b>7 108 290</b>	<b>22 651 750</b>	<b>236 284</b>	<b>210 161</b>	<b>763 783</b>	<b>30 970 268</b>

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### **C3 PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION EXPENSE (continued)**

#### **C3-2 RECOGNITION AND ACQUISITION**

##### **Accounting policy – Recognition thresholds**

Items of property, plant and equipment with a historical cost or other value equal to or in excess of the following thresholds are recognised as property, plant and equipment in the following classes:

Land	\$1
Buildings	\$10 000
Heritage buildings	\$10 000
Heritage and cultural (cultural works of art)	\$5 000
Plant and equipment	\$5 000

Items with a lesser value are expensed in the year of acquisition.

##### **Accounting policy - Acquisition**

On acquisition, property, plant and equipment assets are initially recognised at historical cost. Cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use.

Expenditure on property, plant and equipment is capitalised where it is probable that the expenditure will produce future service potential for the department. Subsequent expenditure is only added to an asset's carrying amount if it increases the service potential or useful life of that asset and the new depreciable amount is depreciated over the remaining useful life of the asset. Maintenance expenditure that merely restores original service potential (lost through ordinary wear and tear) is expensed.

Complex assets comprise separately identifiable components of significant value that require regular replacement during the life of the complex asset at different times to other components. The department's complex assets are special purpose school buildings. On initial recognition, the asset recognition thresholds outlined above apply to the complex asset as a single item. The accounting policy for depreciation of complex assets, and estimated useful lives of components, is disclosed in Note C3-4.

When a separately identifiable component of significant value is replaced, the existing component is derecognised. The replacement component is capitalised when it is probable that future economic benefits from the significant component will flow to the department. Replacement components that do not meet the asset recognition thresholds for capitalisation are expensed.

Assets received free of charge from another Queensland Government department (whether as a result of a machinery-of-government change or other involuntary transfer), are recognised at fair value, being the gross carrying amount in the books of the other entity immediately prior to the transfer, together with any accumulated depreciation.

Assets acquired at no cost or for nominal consideration, other than from another Queensland Government department, are recognised at their fair value at the date of acquisition.

#### **C3-3 MEASUREMENT**

##### **Accounting policy – Historical cost**

Plant and equipment assets and capital work in progress are measured at cost in accordance with Queensland Treasury's Non-Current Asset Policies for the Queensland Public Sector (NCAP). The carrying amounts for such assets are not materially different from their fair value.

##### **Accounting policy – Fair value**

Land, buildings (including land improvements such as school infrastructure assets) and heritage and cultural assets are measured at fair value in accordance with the NCAP. These assets are reported at their revalued amounts, being the fair value at the date of valuation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses where applicable. All assets are measured at their highest and best use.

All assets measured at fair value are categorised with the following fair value hierarchy, based on the data and assumptions used in the most recent specific appraisals:

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

None of the department's valuations of assets are eligible for categorisation into level 1 of the fair value hierarchy. There were no transfers of assets between fair value hierarchies during the reporting period.

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## C3 PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION EXPENSE (continued)

### C3-3 MEASUREMENT (continued)

#### Accounting policy – Fair value (continued)

**Key judgement:** The costs of items acquired during the financial year have been judged by management to materially represent their fair value at the end of the reporting period.

#### Revaluation of property

Land and buildings measured at fair value are revalued on an annual basis either by specific appraisals undertaken by an independent professional valuer at least once every four years, or by the use of appropriate and relevant indices in the interim years.

For the purposes of specific appraisal each four years, the department has divided the state into 26 districts which provides a framework to ensure that major urban, provincial and rural characteristics are evenly distributed each year.

The results of interim indexations are compared to the results of the independent revaluation performed in the year to ensure the results are reasonable. This annual process allows management to assess and confirm the relevance and suitability of indices provided by the independent valuer based on the asset portfolio of the department.

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

On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any change in the estimate of remaining useful life.

The fair values reported by the department are based on appropriate valuation techniques that maximise the use of available and relevant observable inputs and minimise the use of unobservable inputs.

#### Land

Approximately one quarter of the department's land was independently valued by the State Valuation Service (SVS) with an effective date of 30 June 2024.

The fair value of land is determined using a market-based assessment by reference to observable prices in an active market or recent market transactions in accordance with level 2 of the fair value hierarchy. The specific appraisal involved physical inspection and reference to publicly available data on recent sales of similar land in nearby localities in accordance with industry standards. In determining the values, adjustments were made to the sales data to take into consideration the location of the department's land, its size, street/road frontage and access, and any significant restrictions.

The remaining three quarters of the land assets were indexed to ensure that values reflect fair value at the reporting date. This involved the selection of a sample of 205 properties from the 16 districts across the state that were not independently valued in 2023-24. The SVS then provided indices for each of these sites based on recent market transactions for local land sales. The department then used the sampled indices to create a weighted average for each district.

The indices increased the value of land in these districts by 8.86%.

#### Buildings

Approximately one quarter of the department's buildings, including heritage buildings were independently valued by the SVS with an effective date of 30 June 2024.

The fair value of buildings and heritage building assets is determined by calculating the current replacement cost of the asset, as there is no active market for these facilities. The building assets are categorised as level 3 in accordance with the fair value hierarchy. The SVS conduct physical inspections and apply construction rates from the Department of Education (Qld) Costing Manual provided by Gray Robinson & Cottrell Quantity Surveyors (GRC). This is the estimated cost to replace the asset with an appropriate modern equivalent using current construction materials and standards, adjusted to reflect the asset's current physical condition.

**Key judgement:** The valuers utilise professional judgement in the assessment of the remaining service potential of these facilities, including the current physical condition of the facility, componentising the assets in to the significant parts that have different useful lives and estimating the remaining useful life of each asset. For the heritage buildings, further inputs are used by estimating the cost to reproduce the items with features and materials consistent with the original items, with adjustments made to take into consideration the items' heritage restrictions and characteristics.

The comprehensive revaluation process utilises the following key assumptions:

- the present use continues to represent the highest and best use
- the replacement cost rates do not include provision for site ground improvements
- that works are procured in accordance with the department's purchasing policies
- that works are carried out in accordance with standard industry by licenced professionals with appropriate safe work practices



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### C3 PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION EXPENSE (continued)

#### C3-3 MEASUREMENT (continued)

##### Revaluation of property (continued)

During 2023-24, this process was affected by key market drivers including rising finance costs, limitations to the supply and capacity of sub-contractors, intensity and volume of new capital projects, availability of base construction materials and changes to demographics and population growth. Construction costs were significantly affected throughout the period which were reflected in the increase in the replacement rates used for valuation.

The remaining three quarters of the building assets were indexed using the Building Price Index (BPI) provided by GRC.

The change in the BPI over the reporting period 1 July 2023 to 30 June 2024 was an increase of 6.57%.

The indexation model is based on analysis of recent tenders for specialised buildings and capital projects with similar attributes, and accordingly is assessed specifically for the department's asset portfolio.

GRC employs market driven indexation factors, such as Locality Index and BPI, as mechanisms to ensure that estimates are reflective of the construction market at any point in time. The BPI is considered to be the most appropriate index for application to the relevant assets.

**Key judgement:** The department has a key strategic asset management program with continued investment in general and specific priority maintenance, including condition assessments to inform future upgrade and maintenance activities, consequently the conditions of the assets are not expected to deteriorate significantly between comprehensive valuations.

#### C3-4 DEPRECIATION EXPENSE

##### Accounting policy – Depreciation expense

Buildings, heritage and cultural assets, and plant and equipment are depreciated on a straight-line basis so as to allocate the net cost or revalued amount of each asset, less its estimated residual value, progressively over its estimated useful life to the department.

The residual (or scrap) value of depreciable assets is assumed to be nil.

For complex assets, where the change in depreciation expense from separately identifying significant components is material to the class of assets to which the asset relates, the significant components are separately identified and depreciated.

The three components of the department's complex buildings are fabric, fit-out and plant. The useful lives for these assets are disclosed in the table below.

**Key judgement:** The estimated useful lives of assets are reviewed annually and where necessary, are adjusted to better reflect the future service potential of the asset. In reviewing the useful life of each asset, factors such as asset usage and the rate of technical and commercial obsolescence are considered.

Useful lives for the assets included in the revaluation are amended progressively as the assets are inspected by the valuers.

The depreciable value of improvements to, or on, right-of-use assets is allocated progressively over the estimated useful life of the improvements or the unexpired period of the lease, whichever is the shorter. The unexpired period of leases includes any option period where exercise of the option is probable.

Capital work-in-progress assets are not depreciated until construction is complete and the asset is first put to use or is installed ready for use in accordance with its intended application. These assets are then reclassified to the relevant classes within property, plant and equipment.

Land is not depreciated as it has an unlimited useful life.

##### Depreciation rates

**Key estimate:** For each class of asset the depreciation rates are based on the following useful lives:

Class	Useful Life (years)
Buildings – fabric	60 – 80
Buildings – fit-out	25
Buildings – plant	25
Buildings – non-complex buildings and covered areas	40
Buildings – land improvements (including sporting facilities)	15 – 80
Heritage and cultural assets	100
Plant and equipment	5 – 20

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## C3 PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION EXPENSE (continued)

### C3-5 IMPAIRMENT

#### Accounting policy - Impairment

All non-current physical assets are assessed for indicators of impairment on an annual basis. If an indicator of impairment exists, the department determines the asset's recoverable amount (higher of the asset's fair value less costs to sell and current replacement cost).

An impairment loss is recognised immediately in the statement of comprehensive income, except for land and buildings where any impairment loss is treated as a revaluation decrease and offset against the asset revaluation surplus of the relevant class.

## C4 PAYABLES

	2024 \$'000	2023 \$'000
<b>Current</b>		
Trade creditors and accruals	155 183	101 605
Capital creditors and accruals	143 511	177 768
Fringe benefits tax and other taxes	1 272	1 087
Grants and subsidies payable	14 274	18 615
Deferred appropriation payable to Consolidated Fund	472 429	-
Other	228	228
<b>Total</b>	<b>786 897</b>	<b>299 303</b>

#### Accounting policy - Payables

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the nominal amount, that is the agreed purchase/contract price, gross of applicable trade and other discounts. Capital creditors relate to capital works billed progressively based on the extent of work performed. Amounts owing are unsecured.

**Key judgement:** Accruals are an estimate of work completed but not yet invoiced at 30 June.

## C5 BORROWINGS

	2024 \$'000	2023 \$'000
<b>Current</b>		
Financial liability - public private partnerships	10 769	9 910
<b>Total</b>	<b>10 769</b>	<b>9 910</b>
<b>Non-current</b>		
Financial liability - public private partnerships	343 713	354 482
<b>Total</b>	<b>343 713</b>	<b>354 482</b>

#### Accounting policy - Borrowings

Financial liabilities are initially recognised at fair value, plus any transaction costs directly attributable to the liability, then subsequently held at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of a financial liability to the amortised cost of the liability.

The department does not enter into transactions for speculative purposes, nor for hedging. No financial liabilities are measured at fair value through profit or loss.

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## C5 BORROWINGS (continued)

### C5-1 FINANCIAL LIABILITIES AND COMMITMENTS

Financial liabilities terms and conditions

The financial liabilities relate to two Public Private Partnership (PPP) agreements - South-East Queensland Schools and Queensland Schools. As part of the department's review of leasing arrangements under AASB 16 *Leases* it has been concluded that these arrangements are not leases, but more in the nature of financing to construct and maintain buildings (Note C6).

Interest rates

Interest on financial liabilities is recognised as an expense as it accrues. No interest has been capitalised during the current or comparative reporting periods.

The implicit interest rates for the financial liabilities range from 2.87% to 15.99% (2022-23: 2.87% to 15.99%).

### C5-2 DISCLOSURES ABOUT SENSITIVITY TO INTEREST RATE MOVEMENTS

Interest rate sensitivity analysis evaluates the impact on profit or loss if interest rates were to change by +/- 0.25% from the year-end rates applicable to the department's financial assets and liabilities. With all other variables held constant, the department would have a surplus/(deficit) and equity increase/(decrease) of \$4.119 million (2022-23: \$3.578 million).

### C5-3 FAIR VALUE DISCLOSURES FOR FINANCIAL LIABILITIES MEASURED AT AMORTISED COST

	2024		2023	
	\$'000	\$'000	\$'000	\$'000
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial liabilities – PPP	354 482	230 083	364 392	237 823
<b>Total</b>	<b>354 482</b>	<b>230 083</b>	<b>364 392</b>	<b>237 823</b>

The fair value of financial liabilities is calculated using discounted cash flow analysis and using the Reserve Bank Commonwealth Government 10-year bond rate.

## C6 PUBLIC PRIVATE PARTNERSHIPS

### C6-1 OTHER PUBLIC PRIVATE PARTNERSHIPS OUTSIDE AASB 1059

Some PPPs are not service concession arrangements within the scope of AASB 1059 *Service Concession Arrangements: Grantors*. Other accounting standards and policies apply to these arrangements, and are described for each arrangement below.

PPPs outside AASB 1059

	2024	2023
	\$'000	\$'000
<b>Assets</b>		
Buildings (Note C3)		
South-East Queensland Schools	256 975	280 055
Queensland Schools	468 727	516 451
<b>Liabilities</b>		
Financial Liabilities (Note C5)		
South-East Queensland Schools	180 141	186 451
Queensland Schools	174 341	177 941

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**C6 PUBLIC PRIVATE PARTNERSHIPS (continued)**

**C6-1 OTHER PUBLIC PRIVATE PARTNERSHIPS OUTSIDE AASB 1059 (continued)**

The department has two PPP projects - South-East Queensland Schools and Queensland Schools.

The two PPPs within the following table, are social infrastructure arrangements whereby the department pays for the third party use of the infrastructure asset through regular service payments to respective partners over the life of the contract.

The PPP operators only provide maintenance activities that do not contribute significantly to the public services provided by the asset and therefore are out of scope of AASB 1059.

The land on which the facility/schools are constructed is owned and recognised as an asset by the department. The buildings are controlled by the department and are recognised as property, plant and equipment and details on depreciation are included in Note C3.

The department recognises the future repayments of the construction finance as a financial liability. The contractual agreements provide details about the monthly service payments which comprise the following components:

- capital - used to fund the systematic write down of the liability over the term of the agreements;
- financing - which is recognised as an expense when incurred; and
- other - such as facilities management, maintenance, and insurance which is expensed as it is incurred.

PPP Arrangement	(a) South-East Queensland Schools	(b) Queensland Schools
<b>Entered into contract</b>	April 2009	December 2013
<b>Partner</b>	Aspire Schools Pty Ltd	Plenary Schools Pty Ltd
<b>Agreement type</b>	Design, construct, maintain, and partly finance 7 schools.	Design, construct, maintain and partly finance 10 schools.
<b>Agreement period</b>	30 years	30 years
<b>Financing</b>	Finance during the design and construction phases was provided by Commonwealth Investments Pty Ltd, Bank of Tokyo-Mitsubishi, and National Australia Bank.  Queensland Treasury Corporation will provide the remaining 70% of the project's financial requirements during the operating phase from January 2010 to December 2039.	Finance during the design and construction phases was provided by Investec, National Australia Bank, Plenary Group, and the State of Queensland.  The department paid a series of co-contributions (\$190 million) during the construction phase of the project towards the construction costs.
<b>Construction period</b>	May 2009 – January 2014	January 2014 – January 2019
<b>Variable costs</b>	Variable costs change according to the number of module units in use at the individual sites, utilities, car parking agreements, and other service payments adjustments.	Variable costs change according to the number of module units in use at the individual sites, utilities, car parking agreements, and other service payments adjustments.
<b>Other</b>	Inflows for the PPP relate to cleaning, grounds maintenance, and janitorial services. Aspire is required to use staff provided by the State.	Nil

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**C6 PUBLIC PRIVATE PARTNERSHIPS (continued)**

**C6-2 OPERATING STATEMENT IMPACT**

The operating statement impact for each material PPP arrangement is as follows:

	2024	South-East Queensland Schools \$'000	Queensland Schools \$'000	Total \$'000
<b>Revenue</b>				
Other revenue		2 908	-	2 908
<b>Expenses</b>				
Depreciation		( 7 983)	( 12 847)	( 20 830)
Interest expenses		( 14 264)	( 13 577)	( 27 841)
Utilities		( 408)	( 574)	( 982)
Property rates		( 345)	( 713)	( 1 058)
Facility management		( 19 353)	( 11 638)	( 30 991)
Insurance		( 665)	( 763)	( 1 428)
Other		( 33)	( 52)	( 85)
<b>Net impact on operating result</b>		<b>( 40 143)</b>	<b>( 40 164)</b>	<b>( 80 307)</b>

	2023	South-East Queensland Schools \$'000	Queensland Schools \$'000	Total \$'000
<b>Revenue</b>				
Other revenue		2 775	-	2 775
<b>Expenses</b>				
Depreciation		( 7 270)	( 11 140)	( 18 410)
Interest expenses		( 14 000)	( 11 434)	( 25 434)
Utilities		( 341)	( 547)	( 888)
Property rates		( 483)	( 561)	( 1 044)
Facility management		( 17 218)	( 10 726)	( 27 944)
Insurance		( 629)	( 678)	( 1 307)
Other		( 18)	( 93)	( 111)
<b>Net impact on operating result</b>		<b>( 37 184)</b>	<b>( 35 179)</b>	<b>( 72 363)</b>

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**C6 PUBLIC PRIVATE PARTNERSHIPS (continued)**

**C6-3 ESTIMATED FUTURE CASH FLOWS**

The estimated future cash flows for the department's PPPs are as follows:

	South-East Queensland Schools		Queensland Schools		Total	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Cash inflows</b>						
Not later than 1 year	2 870	2 777	-	-	2 870	2 777
Later than 1 year but not later than 5 years	11 144	11 130	-	-	11 144	11 130
Later than 5 years but not later than 10 years	13 199	13 961	-	-	13 199	13 961
Later than 10 years	14 829	19 636	-	-	14 829	19 636
	<b>42 042</b>	<b>47 504</b>	<b>-</b>	<b>-</b>	<b>42 042</b>	<b>47 504</b>
<b>Cash outflows</b>						
Not later than 1 year	(40 529)	(40 349)	(31 563)	(31 065)	(72 092)	(71 414)
Later than 1 year but not later than 5 years	(151 226)	(151 258)	(119 657)	(120 598)	(270 883)	(271 856)
Later than 5 years but not later than 10 years	(175 772)	(180 484)	(140 534)	(151 173)	(316 306)	(331 657)
Later than 10 years	(159 872)	(193 436)	(229 728)	(267 437)	(389 600)	(460 873)
	<b>(527 399)</b>	<b>(565 527)</b>	<b>(521 482)</b>	<b>(570 273)</b>	<b>(1 048 881)</b>	<b>(1 135 800)</b>

**C7 ACCRUED EMPLOYEE BENEFITS**

	2024 \$'000	2023 \$'000
Annual leave levy payable	80 723	83 236
Long service leave levy payable	50 251	48 423
Accrued salaries and wages	7 725	201 844
Paid parental leave	1 021	1 044
Other accrued employee benefits	-	625
<b>Total</b>	<b>139 720</b>	<b>335 172</b>

**Accounting policy – Accrued employee benefits**

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*.

Refer to Note B2-1 for further information on leave levies and sick leave.

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**C8 EQUITY**

**C8-1 CONTRIBUTED EQUITY**

AASB 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 (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 (Note A3).

**C8-2 APPROPRIATIONS RECOGNISED IN EQUITY**

**Reconciliation of payments from Consolidated Fund to equity adjustment**

	2024 \$'000	2023 \$'000
Budgeted equity adjustment appropriation	675 851	753 059
Transfers from/(to) other departments - redistribution of public business	( 2 100)	-
Transfers from/(to) other headings - variation in headings	-	( 158 417)
Lapsed equity adjustment	( 689 057)	( 19 392)
<b>Equity adjustment recognised in contributed equity</b>	<b>( 15 306)</b>	<b>575 250</b>

**C8-3 ASSET REVALUATION SURPLUS BY ASSET CLASS**

**Accounting policy – Asset revaluation surplus**

The asset revaluation surplus represents the net effect of upwards and downwards revaluations of assets to fair value.

	Land \$'000	Buildings \$'000	Heritage and Cultural \$'000	Total \$'000
Balance at 1 July 2022	6 343 944	13 654 880	39 554	20 038 378
Revaluation increments/(decrements)	592 710	4 149 571	92 507	4 834 788
<b>Balance at 30 June 2023</b>	<b>6 936 654</b>	<b>17 804 451</b>	<b>132 061</b>	<b>24 873 166</b>

	Land \$'000	Buildings \$'000	Heritage and Cultural \$'000	Total \$'000
Balance at 1 July 2023	6 936 654	17 804 451	132 061	24 873 166
Revaluation increments/(decrements)	524 321	2 296 313	21 088	2 841 722
<b>Balance at 30 June 2024</b>	<b>7 460 975</b>	<b>20 100 764</b>	<b>153 149</b>	<b>27 714 888</b>

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**SECTION 4**  
**NOTES ABOUT RISK AND OTHER ACCOUNTING UNCERTAINTIES**

**D1 FINANCIAL RISK DISCLOSURES**

**D1-1 FINANCIAL INSTRUMENT CATEGORIES**

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. The department has the following categories of financial assets and financial liabilities:

	Note	2024 \$'000	2023 \$'000
<b>Financial assets</b>			
Cash and cash equivalents	C1	1 862 616	1 653 215
Receivables	C2	205 945	234 108
<b>Total financial assets</b>		<b>2 068 561</b>	<b>1 887 323</b>
<b>Financial liabilities</b>			
Financial liabilities measured at amortised cost:			
Payables	C4	786 897	299 303
Lease liabilities		6 970	6 645
Borrowings	C5	354 482	364 392
<b>Total financial liabilities at amortised cost</b>		<b>1 148 349</b>	<b>670 340</b>

No financial assets and financial liabilities have been offset and presented net in the statement of financial position.

**D1-2 FINANCIAL RISK MANAGEMENT**

Financial risk management is implemented pursuant to government policy and seeks to minimise potential adverse effects on the financial performance of the department.

The department's activities expose it to a variety of financial risks as set out in the following table:

Risk Exposure	Definition	Exposure and management
Credit Risk	The risk that the department may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation.	The department is exposed to credit risk in respect of: <ul style="list-style-type: none"> <li>Receivables (exposure disclosed at Note C2 and mainly relates to student and parent debt) which are managed by the use of a credit management strategy and regular monitoring of funds owed; and</li> <li>Financial guarantees provided to Parents and Citizens' Associations, universities and grammar schools are managed on an ongoing basis (maximum exposure disclosed in Note D2).</li> </ul>
Liquidity Risk	Liquidity risk refers to the department's ability to meet its obligations when they fall due.	This risk is minimal, and is managed through a combination of regular fortnightly appropriation payments, and an approved overdraft facility of \$250 million under government banking arrangements to manage any cash shortfalls.
Market Risk	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 materially exposed to commodity price changes. The department is exposed to interest rate risk through its financial liabilities (Note C5), and cash deposited in interest bearing accounts (Note C1).

All financial risk is managed by each division of the department under policy approved by the department's Executive Leadership Team, and established and co-ordinated by Policy, Performance, International and Intergovernmental Division, and Finance, Procurement and Facilities Division.



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## D1 FINANCIAL RISK DISCLOSURES (continued)

### D1-3 LIQUIDITY RISK – CONTRACTUAL MATURITY OF FINANCIAL LIABILITIES

The following table sets out the liquidity risk of financial liabilities held by the department. It represents the contractual maturity of financial liabilities, calculated based on undiscounted cash flows relating to the liabilities at the reporting date. The undiscounted cash flows in these tables differ from the amounts included in the statement of financial position that are based on discounted cash flows.

	2024 Payable in			Total \$'000
	<1 year	1 - 5 years	> 5 years	
	\$'000	\$'000	\$'000	
<b>Financial liabilities</b>				
Payables	786 897	-	-	786 897
Lease liabilities	707	1 547	8 654	10 908
Financial liability - borrowings	38 205	144 633	445 968	628 806
<b>Total</b>	<b>825 809</b>	<b>146 180</b>	<b>454 622</b>	<b>1 426 611</b>

	2023 Payable in			Total \$'000
	<1 year	1 - 5 years	> 5 years	
	\$'000	\$'000	\$'000	
<b>Financial liabilities</b>				
Payables	299 303	-	-	299 303
Lease liabilities	706	1 437	8 493	10 636
Financial liability - borrowings	39 001	147 194	481 825	668 020
<b>Total</b>	<b>339 010</b>	<b>148 631</b>	<b>490 318</b>	<b>977 959</b>

## D2 CONTINGENCIES

### Litigation in progress

At 30 June 2024, the department has been named as defendant in 36 claims before a Court, Commission or Tribunal, and 94 general liability claims not yet subject to Court, Commission or Tribunal action for which there may be contingent liabilities. The department's legal advisers believe it is not possible to estimate the final amounts payable for the claims.

The Queensland Government Insurance Fund limits the department's liability in a majority of these claims to \$10,000, being the deductible (excess) payable per claim.

There are currently 138 (2022-23: 119) WorkCover Queensland common law claims being managed by the department.

### Financial guarantees and associated credit risks

The department has provided 23 (2022-23: 22) financial guarantees to Parents and Citizens' Associations (P&C), 6 (2022-23: 6) guarantees to universities, and 8 (2022-23: 8) guarantees to grammar schools for a variety of loans. These guarantees have been provided over a period of time and have various maturity dates.

	2024 Remaining balance \$'000	2023 Remaining balance \$'000	Enabling legislation
Parents and Citizens' Associations	4 794	4 558	
Universities	399 738	448 931	<i>Statutory Bodies Financial Arrangements Act 1982 (Qld)</i>
Grammar schools	90 241	100 753	
	<b>494 773</b>	<b>554 242</b>	

**Key estimate and judgement:** The department assesses the fair value of financial guarantees annually as at 30 June. As at 30 June 2024, no university, grammar school or P&C had defaulted on an existing loan and the department's management does not expect that the guarantees will be called upon in the near future. As such, the fair value of the guarantees has not been recognised in the statement of financial position.

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**D2 CONTINGENCIES (continued)**

**Native title claims over departmental land**

There are native title claims which have the potential to impact properties of the department, however, most departmental properties are occupied under freehold tenure, or under 'reserve' tenure validly created prior to 23 December 1996. Therefore, any development undertaken in accordance with a reserve's gazetted purpose should minimise the potential for native title claims.

At the reporting date, it is not possible to estimate any probable outcome of such claims, or any financial effect. It should be noted that native title would not arise as an issue until the reserves have been declared surplus and attempts are made for the property to be transferred. Native title would need to be addressed as part of the disposal process. The department would necessarily recognise any cost implications arising from such claims at that time.

**D3 COMMITMENTS**

**Capital expenditure commitments**

Commitments for capital expenditure at reporting date (inclusive of non-recoverable GST input tax credits) are payable as follows:

	2024 \$'000	2023 \$'000
<b>Buildings</b>		
Not later than 1 year	563 316	754 291
Later than 1 year but not later than 5 years	25 345	43 589
<b>Total capital expenditure commitments - buildings</b>	588 661	797 880
<b>Intangibles</b>		
Not later than 1 year	-	1 191
<b>Total capital expenditure commitments - intangibles</b>	-	1 191

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**SECTION 5**  
**NOTES ABOUT OUR PERFORMANCE COMPARED TO BUDGET**

## **E1 BUDGETARY REPORTING DISCLOSURES**

This section provides explanations of major variances between the department's actual 2023-24 financial results and the adjusted budget presented to Parliament.

The original budget has been adjusted for the machinery-of-government changes effective on 1 January 2024 that transferred responsibility for the Office of Industrial Relations and Office of Racing functions from the department to the Department of State Development and Infrastructure. Details of the transfers are outlined in Note A3. Queensland Treasury policy requires that budget figures used in this comparison represent the adjusted budget for the financial year, as published in the 2024-25 Service Delivery Statement tabled in Parliament.

The department's funding model is derived mainly from Commonwealth and State appropriations, which can fluctuate within a financial year from the original budget to the end of financial year close. This is because a significant portion of the department's funding is determined by percentage amounts of the Commonwealth Government's Schooling Resource Standard, which is calculated using the number of primary and secondary enrolments and has loadings for needs-based categories such as disability. The school and student input data for these calculations change between when the budget is determined and payments are made, which occurs to support school funding cycles that are aligned to calendar years, rather than financial years. Consequently, the difference between final school payment amounts and the budgeted amount is mainly driven by the amount of unexpected variation in student and school needs between the different data collection periods. Other funding variances may also occur within the financial year in response to government decisions.

### **E1-1 EXPLANATION OF MAJOR VARIANCES – STATEMENT OF COMPREHENSIVE INCOME**

<i>User charges and fees:</i>	Variance of \$97.816 million greater than budget mainly due to higher than forecast user charges revenue associated with school excursions, facilities hire and student resource scheme fees \$62.706 million; revenue from higher than expected international student enrolments \$21.055 million; and higher than forecast revenue experienced by Runaway Bay Sport and Leadership Excellence Centre from activities such as sporting events, fitness operations, room hire and education services \$8.047 million.
<i>Grants and contributions revenue:</i>	Variance of \$41.311 million greater than budget largely due to higher than expected revenue received by schools of \$13.248 million, mostly associated with donated assets; additional revenue received from other states and territories as contributions to the Australian Schools Anti-Bullying Collective initiative \$1.993 million; unbudgeted contributions from the Queensland Reconstruction Authority for Aviation High School and Milton State School, as well as capital contributions for Atherton State High School \$17.345 million; and unbudgeted revenue from the National Indigenous Australian Agency contributions towards the Local Community Engagement through the Co-Design pilot project \$2.575 million. Unforeseen receipt of goods and services received below fair value of \$4.772 million, arose mainly from repair and maintenance for cyclone shelters provided by the Department of Housing, Local Government, Planning and Public Works.
<i>Interest:</i>	Variance of \$31.183 million greater than budget largely due to the impact of higher than forecast interest received on school bank balances.
<i>Other revenue:</i>	Variance of \$32.915 million greater than budget largely due to unbudgeted early childhood grant recoveries \$2.038 million; higher revenue than budgeted for schools of \$22.413 million, predominately relating to post-capitalisation of school assets recognised at year end through the annual comprehensive asset revaluation process; and \$6.552 million mainly relating to unbudgeted revenue from the disposal of computers.
<i>Employee expenses:</i>	Variance of \$234.450 million greater than budget mainly due to \$83.103 million of additional unbudgeted enterprise bargaining related costs increases including Cost of Living Adjustment (COLA) payments for cleaners, teacher aides and public servants, as funding was determined once the COLA rate was agreed, as well as the Superannuation Guarantee; and additional school based salaries employee costs \$76.205 million higher than budgeted, including more staffing associated with students with disability that resulted from the transition to resourcing schools using the Nationally Consistent Collection of Data (NCCD) data available.
<i>Supplies and services:</i>	Variance of \$317.192 million less than budget due to timing differences and delays associated with programs, in particular the operating component of the Infrastructure Investment Program, including \$77.195 million which was deferred into 2024-25 and \$73.590 million due to higher capitalised expenditure than expensed in the School Infrastructure Enhancement program; expenditure in schools being incurred in other categories (for example, capital) \$65.812 million; and lower electricity costs \$23.891 million.
<i>Depreciation and amortisation:</i>	Variance of \$218.660 million greater than budget largely due to the impact of the 2023-24 increases in asset revaluations and a higher number of depreciable assets associated with the department's capital program.

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**E1 BUDGETARY REPORTING DISCLOSURES (continued)**

**E1-1 EXPLANATION OF MAJOR VARIANCES – STATEMENT OF COMPREHENSIVE INCOME (continued)**

*Increase in asset revaluation surplus:* Variance of \$1.391 billion greater than budget due to higher comprehensive revaluation outcomes for buildings (including heritage buildings). The overall movements in valuations experienced in 2023-24 was an increase in buildings of 10.67%, and land of 7.39%. The impact of key market drivers including rising finance costs, limitations to the supply and capacity of sub-contractors, intensity and volume of new capital projects, availability of base construction materials and changes to demographics and population growth, have contributed to significant construction cost increases resulting in higher replacement values.

**E1-2 EXPLANATION OF MAJOR VARIANCES – STATEMENT OF FINANCIAL POSITION**

*Cash and cash equivalents:* Variance of \$633.489 million greater than budget mainly due to timing and delays within the Infrastructure program attributable to market pressures and current labour market conditions \$379.955 million; and \$387.102 million relating to rephasing of program funding in line with expenditure; partially offset by \$179.881 million relating to salaries and wages payable mainly attributable to payment of the teachers' COLA in 2023-24, that was accrued in 2022-23.

*Receivables:* Variance of \$67.963 million greater than budget mainly due to higher long service and annual leave reimbursements from the central leave schemes to reflect higher salaries associated with increased employee expenses, including enterprise bargaining outcomes \$30.821 million; and greater than budget operating receivables \$39.590 million.

*Other current assets:* Variance of \$18.705 million greater than budget mainly due to higher prepayments for software licences.

*Property, plant and equipment:* Variance of \$3.720 billion greater than budget mainly due to higher than budgeted annual asset revaluations of \$1.391 billion; impact of prior year revaluations on the opening balance \$3.200 billion; partially offset by lower capital purchases \$321.906 million and higher accumulated depreciation \$218.660 million.

*Payables:* Variance of \$269.978 million greater than budget mainly due to lower than forecast capital creditors of \$308.616 million associated with timing and delays of the capital program; partially offset by higher than budgeted accrued expenses across the department, including payments relating to early childhood programs and school transport assistance costs for students with disabilities \$101.801 million; and appropriations payable to Queensland Treasury relating to year end adjustments \$472.429 million.

*Accrued employee benefits:* Variance of \$13.364 million greater than budget mainly due to higher Annual Leave payables of \$8.499 million resulting from higher employee costs.

*Other current liabilities:* Variance of \$14.982 million greater than budget mainly due to higher unearned revenue of \$10.714 million predominately associated with an increase in student numbers across international programs.

**E1-3 EXPLANATION OF MAJOR VARIANCES – STATEMENT OF CASH FLOWS**

*Payments for property, plant and equipment:* Variance of \$301.139 million less than budget mainly due to timing of the Infrastructure program rephased into the following year \$294.628 million.

*Equity injections/withdrawals:* Variance of \$702.557 million less than budget mainly due to capital to operating funding adjustments to cater for higher depreciation expense \$218.172 million and the expensed component of the Infrastructure program \$6.550 million; and net timing adjustments to the capital component of the Infrastructure program \$565.559 million. This is partially offset by additional funding to index the renewal component of the Infrastructure program \$9.734 million; and additional funding for the Infrastructure Investment Portfolio including funding for Playgrounds and Tuckshops, as well as to address market pressures \$77.990 million.

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**SECTION 6**  
**WHAT WE LOOK AFTER ON BEHALF OF WHOLE-OF-GOVERNMENT AND THIRD PARTIES**

**F1 ADMINISTERED ACTIVITIES**

The department administers, but does not control, certain activities on behalf of the government. In doing so, it has responsibility for administering those activities (and related transactions and balances) efficiently and effectively, but does not have the discretion to deploy those resources for the achievement of the department's own objectives.

The majority of administered operations relate to Commonwealth financial assistance to non-government schools paid to the state in accordance with s 23 of the *Australian Education Act 2013* (Cth) for transfer to non-government schools. The most significant component of state government funded administered operations relates to financial assistance provided to non-government schools through the Non-State Schools Recurrent Grant. The Non-State Schools Recurrent Grant is provided under s 368(1)(b) of the *Education (General Provisions) Act 2006* (Qld).

Accounting policies applicable to administered items are consistent with the equivalent policies for controlled items, unless stated otherwise.

**F1-1 SCHEDULE OF ADMINISTERED INCOME AND EXPENDITURE**

	2024 Actual \$'000	2024 Adjusted budget* \$'000	Budget variance \$'000	2023 Actual \$'000
<b>Administered income</b>				
<b>Fees and charges</b>				
Fees and charges	41 735	40 833	902	95 614
Other revenue	-	903	( 903)	-
<b>Grants and contributions</b>				
Recurrent				
Specific purpose - Commonwealth	4 277 313	4 114 245	163 068	3 962 464
Capital				
Specific purpose - Government and industry	-	-	-	87 500
Appropriation revenue <sup>(1)</sup>	5 557 331	5 351 089	206 242	5 236 239
<b>Total administered income</b>	<b>9 876 379</b>	<b>9 507 070</b>	<b>369 309</b>	<b>9 381 817</b>
<b>Administered expenses</b>				
<b>Grants and subsidies</b>				
Recurrent				
Commonwealth Government				
Non-state schools	4 277 313			3 962 464
State Government				
Non-state schools	907 234			863 002
Textbook and resource allowance	85 983			79 471
Statutory bodies	156 095			208 424
Capital				
State Government				
Non-state and other external organisations	130 706			122 878
	5 557 331	5 351 086	206 245	5 236 239
Supplies and services	-	3	( 3)	-
Losses on disposal/remeasurement of assets	-	-	-	( 243)
Transfers of administered income to government <sup>(2)</sup>	4 319 048	4 155 981	163 067	4 145 821
<b>Total administered expenses</b>	<b>9 876 379</b>	<b>9 507 070</b>	<b>369 309</b>	<b>9 381 817</b>
<b>Operating surplus/(deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*The 2023-24 Adjusted budget disclosed is presented on a post-machinery-of-government basis (Note A3).

(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 department periodically transfers all cash collected for 'administered income' (excluding appropriation revenue) to the Queensland Government.

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**F1 ADMINISTERED ACTIVITIES (continued)**

**F1-2 RECONCILIATION OF PAYMENTS FROM CONSOLIDATED FUND TO ADMINISTERED INCOME**

	2024 Actual	2023 Actual
Budgeted appropriation	5 482 413	5 022 901
Transfers from/(to) other departments - redistribution of public business	( 131 324)	-
Transfers from/(to) other headings - variation in headings	-	197 753
Unforeseen expenditure	262,250	-
<b>Total administered receipts</b>	<b>5 613 339</b>	<b>5 220 654</b>
Less: Opening balance of administered revenue receivable	( 38 956)	( 23 371)
Plus: Closing balance of administered revenue receivable	-	38 956
Less: Closing balance of administered revenue payable to government	( 17 052)	-
<b>Administered income recognised in Note F1-1</b>	<b>5 557 331</b>	<b>5 236 239</b>

**F1-3 SCHEDULE OF ADMINISTERED ASSETS AND LIABILITIES**

	2024 Actual \$'000	2024 Adjusted budget* \$'000	Budget variance \$'000	2023 Actual \$'000
<b>Administered current assets</b>				
Cash at bank	17 163	212	16 951	267
Appropriation receivable	-	-	-	38 956
Trade receivables	73	-	73	16 540
GST input tax credits receivable	28	-	28	47
<b>Total administered current assets</b>	<b>17 264</b>	<b>212</b>	<b>17 052</b>	<b>55 810</b>
<b>Administered non-current assets</b>				
Trade receivables	-	-	-	2 804
<b>Total administered assets</b>	<b>17 264</b>	<b>212</b>	<b>17 052</b>	<b>58 614</b>
<b>Administered current liabilities</b>				
Overdraft facilities	-	-	-	38 809
Revenue payable to government	17 052	-	17 052	19 512
Grants payable	-	-	-	81
<b>Total administered current liabilities</b>	<b>17 052</b>	<b>-</b>	<b>17 052</b>	<b>58 402</b>
<b>Net administered assets/liabilities</b>	<b>212</b>	<b>212</b>	<b>-</b>	<b>212</b>

\*The 2023-24 Adjusted budget disclosed is presented on a post-machinery-of-government basis (Note A3).

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**F1 ADMINISTERED ACTIVITIES (continued)**

**F1-4 ADMINISTERED ACTIVITIES – BUDGET TO ACTUAL VARIANCE ANALYSIS**

This note provides an explanation of major variances between 2023-24 actual results and the adjusted budget for the department's major classes of administered income, expenses, assets and liabilities.

<i>Grants and contributions:</i>	Variance of \$163.068 million greater than budget mainly due to increased Commonwealth Government funding for non-state schools to reflect higher enrolments and indexation.
<i>Grants and subsidies:</i>	Variance of \$206.245 million greater than budget mainly attributed to increased State and Commonwealth Government funding for non-state schools to reflect higher enrolments and indexation \$201.137 million; and increased Textbook and Resource Allowances to both state and non-state school students to reflect enrolment changes and indexation \$2.811 million.
<i>Cash:</i>	Variance of \$16.951 million greater than budget mainly due to appropriation payable to Queensland Treasury \$17.052 million.

**F2 TRUST TRANSACTIONS AND BALANCES**

**Educational bequests**

The department acts as trustee for and manages one trust established by benefactors to encourage Queensland students to learn Japanese as a second language and recognise their achievements in acquiring this valuable skill. The trust receives revenue in the form of bank interest and makes disbursements for student bursaries to fund travel and tuition fees and support continuing study of the Japanese language.

As the department performs only a custodial role in respect of these transactions and balances, they are not recognised in the financial statements but are disclosed in these notes for the information of users.

No fees are received by the department for providing trustee services for this fund.

<b>Trust account - educational bequests</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Opening balance - cash	<b>188</b>	183
Revenue - return on investment term deposit	<b>9</b>	5
<b>Closing balance - cash</b>	<b>197</b>	188

There are no audit fees payable by the department for these trust transactions.

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**SECTION 7  
OTHER INFORMATION**

**G1 KEY MANAGEMENT PERSONNEL (KMP) REMUNERATION**

**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*. The Minister is the Honourable Di Farmer MP, Minister for Education, and Minister for Youth Justice.

Prior to 18 December 2023, the responsible Minister of the department was the Honourable Grace Grace MP, Minister for Education, Minister for Industrial Relations and Minister for Racing.

The following details for non-Ministerial KMP includes those positions that had authority and responsibility for planning, directing and controlling the activities of the department during 2023-24 and 2022-23. Further information regarding the department's KMP can be found in the body of the Annual Report under the section 'Our divisions and Executive Leadership Team'.

Position	Position Responsibility
Director-General *	Lead the strategic direction and oversight to deliver a high performing education system that gives all children a strong start, engages young people in high quality learning and realises the potential of every student. Until 18 December 2023, the Director-General's responsibilities included delivering a responsive and productive industrial relations sector and fostering a more sustainable racing industry.
Associate Director-General, Early Childhood and State Schools	Lead innovative, state-wide systemic reforms in early childhood education and state schooling, working in partnership with internal and external stakeholders to deliver government priorities and outstanding outcomes for children, students and young people.
Deputy Director-General, Early Childhood	Provide strategic leadership in early learning and child development in Queensland by developing and implementing policy, risk-based regulation, continuous quality improvement and investment. Protection of the health, safety and wellbeing of children attending early childhood education and care.
Deputy Director-General, Policy, Performance, International and Intergovernmental *	Lead the department's strategic planning, performance monitoring, International and Intergovernmental relations, non-state school and home education regulation, governance and reporting. Until 18 December 2023, the Deputy Director-General's responsibilities included oversight of Racing Queensland and legislation enabling the operation of the racing industry in Queensland.
Deputy Director-General, Schools and Student Support	Develop and implement innovative and effective educational delivery to support Queensland schools ensuring every student realises their potential. Also responsible for building the capability of professional workforces, developing excellence in leadership, teaching quality and effective pedagogical practices.
Deputy Director-General, First Nations Strategy and Partnerships	Drive the community engagement and stakeholder relationships to improve education outcomes for Aboriginal students and Torres Strait Islander students. This includes the provision of high-level advice and direction on effective and appropriate policies, services and programs that support culturally responsive learning in the early years and schools, and strengthens cultural capability in our workplaces.
Deputy Director-General, People, Information and Communication Services	Provide strategic leadership across the department's human resources, information and technologies, strategic communications and engagement to support a diverse, capable and confident workforce that designs and delivers responsive services as our population grows and technology changes how we learn, work and live.
Deputy Director-General, Infrastructure Services	Lead the delivery of sustainable investment in support of the government's education infrastructure to build, maintain, improve and renew our schools and facilities across Queensland.
Deputy Director-General, Office of Industrial Relations *	Lead the Office of Industrial Relations, with responsibility for regulatory frameworks, policy advice and compliance activities for work health and safety, electrical safety, industrial relations and workers' compensation to make Queensland workplaces safer, fairer and productive.
Assistant Director-General, Finance, Procurement and Facilities and Chief Finance Officer	Lead the provision of high-quality financial, procurement and facilities related services, to support the department's operational and strategic objectives. The position also has responsibilities under section 77 of the <i>Financial Accountability Act 2009</i> (Qld).
Regional Director (rotating representative)	Provide direction on the operations of the department at the regional level across all service streams, ensuring delivery of planned outcomes in line with departmental vision, values and strategic direction. This position was no longer a member of the Executive Leadership Team from 14 October 2022 due to organisational restructure.

\* The Office of Industrial Relations and Office of Racing functions were transferred to the Department of State Development and Infrastructure (DSDI) on 18 December 2023 (effective 1 January 2024) as part of the machinery-of-government changes. Only the Deputy Director-General, Office of Industrial Relations was transferred to DSDI. No KMP were transferred with the Office of Racing function.



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**G1 KEY MANAGEMENT PERSONNEL (KMP) REMUNERATION (continued)**

**Key management personnel remuneration policies**

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook, and aggregate remuneration expenses for all ministers is 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. The department does not bear any cost of remuneration of ministers.

Remuneration policy for the department's other KMP is set by the Queensland Public Sector Commission as provided for under the *Public Sector Act 2022* (Qld). Individual remuneration and other terms of employment (including motor vehicle entitlements and performance payments if applicable) are specified in employment contracts.

Where an employee has relieved in a KMP position for less than three months, these costs are reported against their substantive position.

Remuneration expenses for non-Ministerial KMP comprise the following components:

Short term employee expenses include:

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

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

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

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

**Key management personnel remuneration expenses**

The following disclosures focus on the expenses incurred by the department attributable to non-ministerial KMP during the respective reporting periods. The amounts disclosed are determined on the same basis as expenses recognised in the statement of comprehensive income.

**2023-24**

Position	Short term employee expenses		Long term employee expenses	Post-employment expenses	Termination benefits	Total expenses
	Monetary expenses	Non-monetary benefits	\$'000	\$'000	\$'000	\$'000
	\$'000	\$'000				
Director-General ** (Appointed 06/12/2021)	621	17	15	77	0	730
Associate Director-General, Early Childhood and State Schools (Appointed 22/08/2022)	476	6	11	62	0	555
Deputy Director-General, Early Childhood (Appointed 19/09/2022)	256	6	6	36	0	304
Deputy Director-General, Policy, Performance, International and Intergovernmental ** (Appointed 14/11/2022)	339	2	8	43	0	392
Deputy Director-General, Schools and Student Support (Appointed 19/09/2022)	318	8	8	45	0	379
Deputy Director-General, First Nations Strategy and Partnerships (Appointed 21/11/2022)	300	6	7	41	0	354
Deputy Director-General, Office of Industrial Relations ** (Acting 01/07/2023 to 31/12/2023)	210	2	5	25	0	242

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**G1 KEY MANAGEMENT PERSONNEL (KMP) REMUNERATION (continued)**

**Key management personnel remuneration expenses (continued)**

**2023-24 (continued)**

Position	Short term employee expenses		Long term employee expenses	Post-employment expenses	Termination benefits	Total expenses
	Monetary expenses	Non-monetary benefits	\$'000	\$'000	\$'000	\$'000
	\$'000	\$'000				
Deputy Director-General, People, Information and Communication Services (Appointed 07/11/2022)	320	6	8	43	0	377
Deputy Director-General, Infrastructure Services (Appointed 30/08/2021 to 14/06/2024)	302	6	7	41	60	416
Assistant Director-General, Finance, Procurement and Facilities and Chief Finance Officer (Appointed 16/07/2018)	260	7	6	39	0	312

\*\* Refer to footnote on page 40 of the statements.

**2022-23**

Position	Short term employee expenses		Long term employee expenses	Post-employment expenses	Termination benefits	Total expenses
	Monetary expenses	Non-monetary benefits	\$'000	\$'000	\$'000	\$'000
	\$'000	\$'000				
Director-General (Appointed 06/12/2021)	642	6	15	63	0	726
Associate Director-General, Early Childhood and State Schools *** (Acting from 01/07/2022 to 21/08/2022; appointed 22/08/2022)	428	5	10	47	0	490
Deputy Director-General, Early Childhood *** (Appointed 19/09/2022)	194	4	4	21	0	223
Deputy Director-General, Policy, Performance, International and Intergovernmental *** (Acting from 01/07/2022 to 13/11/2022)	96	3	2	11	0	112
Deputy Director-General, Policy, Performance, International and Intergovernmental *** (Appointed 14/11/2022)	206	4	5	22	0	237
Deputy Director-General, Schools and Student Support *** (Appointed 19/09/2022)	224	4	5	23	0	256
Deputy Director-General, First Nations Strategy and Partnerships *** (Acting from 08/08/2022 to 20/11/2022)	74	2	2	7	0	85
Deputy Director-General, First Nations Strategy and Partnerships *** (Appointed 21/11/2022)	173	3	4	20	0	200
Deputy Director-General, Office of Industrial Relations (Appointed 01/08/2022 to 23/04/2023)	235	2	6	26	147	416
Deputy Director-General, People, Information and Communication Services *** (Acting from 01/07/2022 to 06/11/2022)	109	2	2	10	0	123

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**G1 KEY MANAGEMENT PERSONNEL (KMP) REMUNERATION (continued)**

**Key management personnel remuneration expenses (continued)**

2022-23 (continued)

Position	Short term employee expenses		Long term employee expenses	Post-employment expenses	Termination benefits	Total expenses
	Monetary expenses	Non-monetary benefits	\$'000	\$'000	\$'000	\$'000
	\$'000	\$'000				
Deputy Director-General, People, Information and Communication Services *** (Appointed 07/11/2022)	193	8	5	25	0	231
Deputy Director-General, Infrastructure Services (Appointed 30/08/2021)	302	7	7	34	0	350
Assistant Director-General, Finance, Procurement and Facilities and Chief Finance Officer *** (Acting from 01/07/2022 to 06/11/2022; 16/12/2022 to 09/01/2023)	105	3	2	11	0	121
Assistant Director-General, Finance, Procurement and Facilities and Chief Finance Officer *** (Appointed 16/07/2018)	152	4	4	16	0	176
Regional Director (rotating representative) *** (from 01/07/2022 to 13/10/2022)	64	0	2	7	0	73

\*\*\* In October 2022, the department underwent an organisational and governance committee re-alignment to support our strategic direction and drive organisational performance. This re-alignment included changes to divisional structures and functions.

**Performance payments**

KMP do not receive performance or bonus payments.

**G2 RELATED PARTY TRANSACTIONS**

**Transactions with people/entities related to key management personnel**

Given the breadth and depth of State government activities, the department's KMP transacts with the Queensland public sector in a manner consistent with other ordinary citizens, for example, children of KMP may attend Queensland state schools or family members may be employed in departmental schools. The department's KMP is required to complete an annual declaration form in relation to the related party transactions/arrangements along with an explanation for these types of transactions and to complete an annual mandatory training program which is underpinned by the *Public Sector Ethics Act 1994* (Qld). There were no related party transactions that involved the department's KMP or their close family members outside the ordinary citizen transactions during 2023-24.

**Transactions with other Queensland Government-controlled entities**

The department's primary ongoing sources of funding from Government for its services are appropriation revenue (Note B1-1) and equity injections (Note C8-2), both of which are provided in cash via Queensland Treasury.

The department purchases a variety of services from other departments including building construction and maintenance \$464.179 million from QBuild (2022-23: \$427.295 million); motor vehicle fleet \$8.537 million from QFleet (2022-23: \$7.544 million); office accommodation \$43.473 million and government employee housing \$31.527 million from the Department of Housing, Local Government, Planning and Public Works (previously provided by the Department of Energy and Public Works) (2022-23: \$39.046 million and \$28.310 million respectively); information and communication technology services \$9.785 million from CITEC (2022-23: \$9.011 million); and services relating to school transport arrangements for \$55.670 million from the Department of Transport and Main Roads (2022-23: \$50.599 million).

Other relevant transactions are the insurance premiums paid to WorkCover Queensland (Note B2-1) and Queensland Government Insurance Fund (Note B2-4); and a transfer of assets and liabilities to the Department of State Development and Infrastructure arising from machinery-of-government changes during 2023-24 (Note A3).

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### **G3 NEW AND REVISED ACCOUNTING STANDARDS**

#### **Accounting standards effective for the first time in 2023-24**

No new accounting standards or interpretations that apply to the department for the first time in 2023-24 had any material impact on the financial statements.

#### **New Australian Accounting Standards issued but not yet effective**

Australian Accounting Standards and interpretations with future commencement dates are either not applicable to the department's activities, or have no material impact on the department.

### **G4 EVENTS OCCURRING AFTER THE REPORTING DATE**

No events after the balance date have occurred for the department that materially impact on these financial statements.

### **G5 TAXATION**

The department is a state body as defined under the *Income Tax Assessment Act 1936* and is exempt from all forms of direct Commonwealth taxation with the exception of indirect taxation, Fringe Benefits Tax (FBT), Goods and Services Tax (GST), Pay As You Go (PAYG) withholding tax and Wine Equalisation Tax (WET). FBT, GST, WET and PAYG withholding are the only taxes accounted for by the department. GST credits receivable from, and GST payable to the Australian Taxation Office are recognised and accrued (Note C2).

### **G6 CLIMATE RISK DISCLOSURE**

#### Climate Risk Assessment

The department considers specific financial impacts relating to climate related risks by identifying and monitoring material accounting judgements and estimates used in preparing the financial report. This includes the potential for changes in asset useful lives, changes in the fair value of assets, impairment of assets, provisions or contingent liabilities and changes in expenses and revenue.

The department has not identified any material climate related risks relevant to the financial report at the reporting date. The department continues to monitor the emergence of such risks under the Queensland Government's *Queensland's 2035 Clean Economy Pathway*, and other Queensland Government climate-related policies and directives.

#### Current Year Impacts

No adjustments to the carrying value of recorded assets or other adjustments to the amounts recorded in the financial statements were recognised during the financial year in relation to climate risk.

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

- (a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- (b) the financial statements have been drawn up to present a true and fair view, in accordance with the prescribed accounting standards, of the transactions of the Department of Education for the financial year ended 30 June 2024, and of the financial position of the department at the end of that year; and

The Director-General, as the Accountable Officer of the department, acknowledges responsibility under s 7 and s 11 of the *Financial and Performance Management Standard 2019* (Qld) 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.



Duncan Anson  
GAICD, FCPA, B Bus  
Assistant Director-General  
Finance, Procurement and Facilities Division  
Chief Finance Officer  
Department of Education



Michael De'Ath,  
Exec MPA, M.Ed Admin (1st Class Hons), B.Ed, Dip Tchg  
Director-General  
Department of Education

Date: 27 August 2024

Date: 27 August 2024