

2018–19

Outcomes Report

Uniform Presentation Framework of the
Queensland Government – 30 June 2019

Outcomes Report - Overview and Analysis

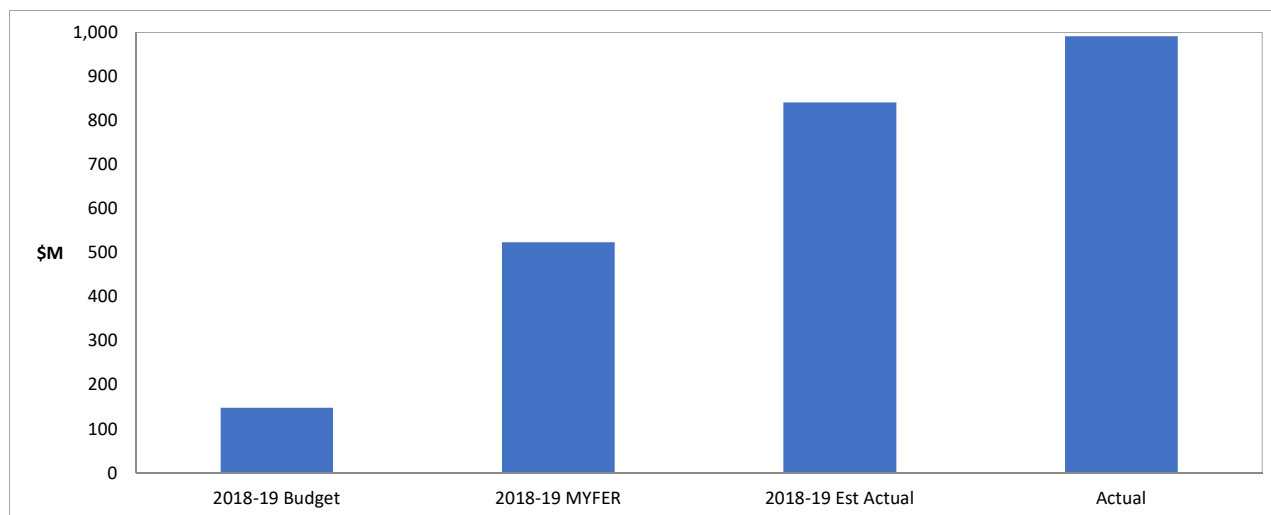
Overview

The General Government Sector (GGS) achieved a UPF net operating balance of \$992 million for 2018-19. This is the sixth consecutive year Queensland has recorded an operating surplus.

The 2018-19 outcome represents a significant improvement on the original 2018-19 Budget and the 2018-19 Mid Year Fiscal and Economic Review, and a moderate improvement on the estimated actual forecast published in the 2019-20 Budget. Royalty income remaining elevated, and greater dividend and tax equivalent income from the Public Non-financial Corporations Sector, more than offset the impact of the lower national GST pool on Queensland's GST revenue, contributing to the substantial improvement in the net operating balance since the 2018-19 Budget.

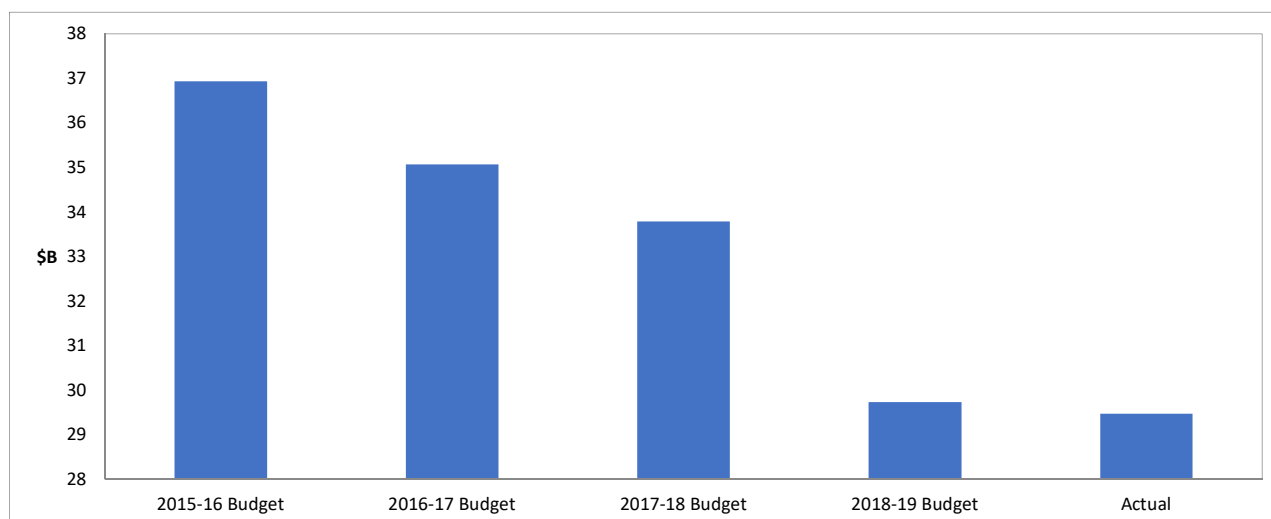
The 2018-19 net operating balance of \$992 million was \$150 million higher than the estimated actual outcome in the 2019-20 Budget. The improved outcome reflects lower than forecast expenses.

Chart 3.1: 2018-19 General Government Sector UPF net operating balance compared to budget forecasts



GGS borrowing with QTC at 30 June 2019 were \$29.468 billion, \$267 million lower than the 2018-19 Budget estimate of \$29.735 billion and \$465 million lower than the 2018-19 estimated actual in the 2019-20 Budget. This reflects improved operating cash flows and slightly lower purchases of non-financial assets.

Chart 3.2: General Government Sector borrowing with QTC for 2018-19, estimates and actuals



Relative to 2017-18, the GGS gross borrowing with QTC increased modestly by \$212 million in 2018-19, while revenue increased by \$1.746 billion.

The overall debt to revenue ratio has remained relatively stable at 54% across 2017-18 and 2018-19. This is a considerable improvement from its peak in 2012-13 of 91%. The Government's Debt Action Plan played a significant role in this improvement.

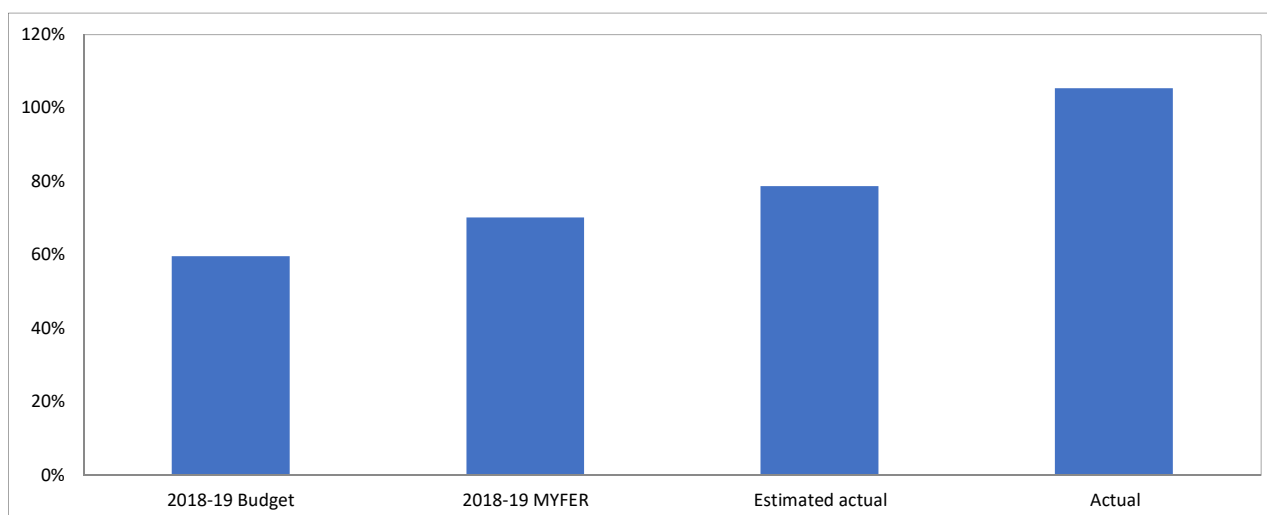
Non-financial Public Sector gross borrowing with QTC of \$67.576 billion in 2018-19 were \$564 million lower than the estimated actual forecast in the 2019-20 Budget. This outcome has resulted in an improvement in the Non-financial Public Sector debt to revenue ratio from the estimated actual of 106% to 104%.

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Overview continued

The proportion of General Government net investment in non-financial assets funded through operating cash flows in 2018-19 was 106%, compared with the estimated actual at the time of the 2019-20 Budget of 79%. The outcome represents a significant improvement on the 2018-19 Budget projection of 60% and the 2018-19 MYFER estimate of 70%. This measure reflects the Government's commitment to fiscally responsible infrastructure investment, without substantially increasing debt.

Chart 3.3: General Government Sector operating cashflows as a proportion of net investments in non-financial assets for 2018-19 estimates and actual



Fiscal principles

In keeping with the requirement to regularly report progress against the principles set out in the Charter of Fiscal Responsibility, the table on page 3-3 provides an overview of these fiscal principles and progress against them for the 2018-19 financial year.

Principle 1 - Target ongoing reductions in Queensland's relative debt burden, as measured by the General Government debt to revenue ratio

In managing GGS debt, a debt to revenue ratio is a key measure of the sustainability of a jurisdiction's debt levels. Queensland's debt to revenue ratio was 54% in 2018-19, in line with the estimated actual and substantially below the peak of 91% in 2012-13.

The lower level of debt provided capacity to support additional infrastructure investment in the 2019-20 Budget.

Principle 2 - Target net operating surpluses that ensure any new capital investment in the General Government Sector is funded primarily through recurrent revenues rather than borrowing

Given the importance of managing GGS debt, the Government recognises that the size of the General Government operating surplus must be large enough that recurrent revenues, rather than borrowings, are the primary funding source for capital investment in the GGS.

The proportion of General Government net investment in non-financial assets funded through operating cash flows in 2018-19 was 106%, compared to 79% estimated in the 2019-20 Budget.

Principle 3 - The capital program will be managed to ensure a consistent flow of works to support jobs and the economy and reduce the risk of backlogs emerging

The capital program includes purchases of non-financial assets, capital grants and new finance leases and similar arrangements. The capital program for the State Non-financial Sector in 2018-19 was \$11.149 billion, compared to \$9.629 billion in 2017-18. The 2019-20 Budget provides for a capital program of \$49.544 billion across 2019-20 to 2022-23.

Principle 4 - Maintain competitive taxation by ensuring that General Government Sector own-source revenue remains at or below 8.5% of nominal gross state product, on average, across the forward estimates

Government has a clear role in providing an economic environment that supports business and jobs growth and does not place undue strain on households. In 2018-19, own-source revenue represented 8.5% of nominal gross state product, consistent with the Government's fiscal principle. Own source revenue is expected to average 8.1% of gross state product across the forward estimates.

- the Treasurer's Consolidated Fund Financial Report; and
- the annual reports of the various departments, statutory bodies, Government-owned corporations and other entities that comprise the Queensland Government.

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Fiscal principles continued

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

Consistent with the long-standing practice of successive governments, the Queensland Government is committed to ensuring that the State sets aside assets, on an actuarially determined basis, to meet long term liabilities such as superannuation and WorkCover. The latest full actuarial review of the QSuper scheme was as at 30 June 2018 and was published in a report dated 4 December 2018. The report found the scheme to be fully funded.

As at 30 June 2019, WorkCover Queensland was fully funded.

Principle 6 - Maintain a sustainable public service by ensuring that overall growth in full-time equivalents (FTE) employees, on average over the forward estimates, does not exceed population growth

The Government has committed to providing high quality and appropriate frontline services that keep pace with growth in the population, while maintaining fiscally responsible and affordable levels of expenditure.

Departmental FTEs increased by 2.0% in 2018-19, compared with estimated actual growth of 2.5% at the time of the 2019-20 Budget, with 91% of the growth attributable to health and education. Average FTE growth over the forward estimates is budgeted to be 1.68%, compared to estimated population growth for Queensland of 1¾%.

The fiscal principles of the Queensland Government 2018-19		
Principle	Indicator	
Target ongoing reductions in Queensland's relative debt burden, as measured by the General Government debt to revenue ratio	<i>Debt to Revenue Ratio</i> Est. Actual Outcome 54% 54%	
Target net operating surpluses that ensure any new capital investment in the General Government Sector is funded primarily through recurrent revenue rather than borrowings	<i>Net operating cash flows as a proportion of net investments in non-financial assets</i> Est. Actual Outcome 79% 106%	
The capital program will be managed to ensure a consistent flow of works to support jobs and the economy and reduce the risk of backlogs emerging	<i>State Non-financial Sector capital program</i> Est. Actual Outcome \$11.537 billion \$11.149 billion	
Maintain competitive taxation by ensuring that General Government Sector own-source revenue remains at or below 8.5% of nominal gross state product, on average, across the forward estimates	<i>Own-source revenue to gross state product ratio</i> Est. Actual Outcome 8.5% 8.5%	
Target full funding of long-term liabilities such as superannuation and WorkCover in accordance with actuarial advice	The latest actuarial review of the QSuper scheme as at 30 June 2019 found the scheme to be fully funded. The WorkCover scheme was fully funded as at 30 June 2019.	
Maintain a sustainable public service by ensuring that overall growth in full-time equivalent employees, on average over the forward estimates, does not exceed population growth	FTE growth across forward estimates 1.7%. Average population growth across forward estimates 1¾%	

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Summary of Key UPF Financial Aggregates

Outlined in the table below are the key aggregates, by sector for 2018-19. The actual outcome for 2018-19 is compared to the estimated actual (Est. Actual) per the 2019-20 Budget.

	General Government Sector		Public Non-financial Corporations Sector		Non-financial Public Sector	
	Est. Actual \$ million	Outcome \$ million	Est. Actual \$ million	Outcome \$ million	Est. Actual \$ million	Outcome \$ million
Revenue	60,068	59,834	13,215	14,256	67,699	68,334
Expenses	59,226	58,842	11,679	12,587	66,965	67,367
Net operating balance	841	992	1,536	1,669	734	967
Capital purchases	6,060	5,764	2,801	2,687	8,856	8,460
Fiscal balance	(2,677)	(2,191)	1,446	1,471	(2,868)	(2,422)
Borrowing with QTC	29,933	29,468	38,208	38,108	68,141	67,576
Leases and similar arrangements	2,623	2,612	-	-	2,623	2,612
Securities and derivatives	122	121	549	599	671	720

Notes:

- Numbers may not add due to rounding.
- Non-financial Public Sector consolidates the General Government and Public Non-financial Corporations Sector and excludes inter-sector transactions and balances.

General Government Sector

General Government Revenue	2018-19	2018-19
	Est. Actual \$ million	Outcome \$ million
Taxation revenue	14,005	14,165
Grants revenue	28,709	28,307
Sales of goods and services	5,869	5,789
Interest income	2,247	2,191
Dividend and income tax equivalent income	2,661	2,786
Other revenue	6,575	6,596
Total Revenue	60,068	59,834

Note:

- Numbers may not add due to rounding.

Total GGS revenue was \$234 million lower than the 2019-20 Budget estimated actual for 2018-19. Grant revenue was down due to a lower than expected national GST pool and revised timing of Commonwealth road infrastructure milestone payments. Offsetting these decreases were higher taxation revenue, primarily due to additional transfer duty on large commercial transactions, and stronger dividend and income tax equivalent income, mainly due to the improved operating position of the Government-owned electricity network businesses.

General Government Expenses	2018-19	2018-19
	Est. Actual \$ million	Outcome \$ million
Employee expenses	24,096	24,019
Superannuation expenses		
Superannuation interest cost	642	642
Other superannuation expenses	3,044	3,012
Other operating expenses	16,791	16,490
Depreciation and amortisation	3,449	3,451
Other interest expenses	1,514	1,581
Grant expenses	9,691	9,647
Total Expenses	59,226	58,842

Note:

- Numbers may not add due to rounding.

Total GGS expenses for 2018-19 were \$384 million (0.6%) lower than expected in the 2019-20 Budget estimated actual for 2018-19.

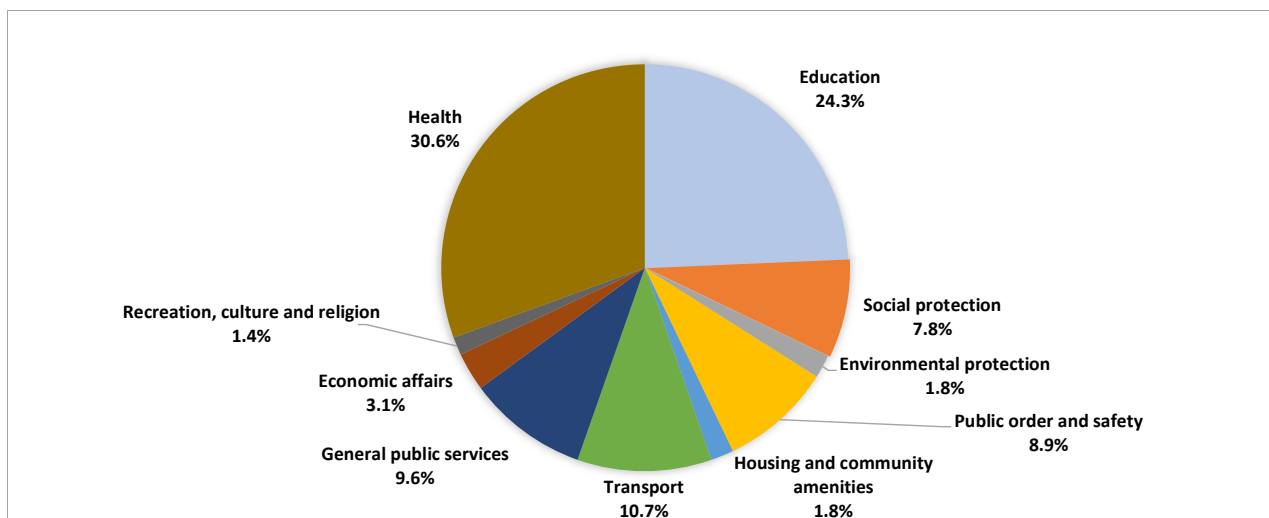
Employee expenses and other superannuation expenses were \$108 million lower than the estimated actual, which is borne out by lower than budgeted FTEs. Other operating expenses were \$301 million lower mainly due to the timing of health expenses.

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Summary of Key UPF Financial Aggregates continued

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

Chart 3.4: Expenses by Function¹ (General Government Sector) 2018-19



¹ Refer to page 3-12 for further detail of expenses in each function.

Net Operating Balance

The net operating balance is the net of revenue and expenses from transactions and was \$992 million compared to the estimated actual in the 2019-20 Budget of \$841 million. Lower revenue was more than offset by lower expenses, as discussed above.

Capital Purchases

GGS purchases of non-financial assets totalled \$5.764 billion which was \$297 million (or 4.9%) lower than the 2019-20 Budget estimate for 2018-19 capital purchases. This represents the actual cash outlay per the Cash Flow Statement. There were also accruals at year end for work completed but not yet settled.

Fiscal Balance

The fiscal balance or net lending/borrowing aggregate broadly shows how much of the acquisition of non-financial assets is financed by the net operating balance (excluding depreciation and non-cash grants) and how much by borrowing.

The fiscal balance for 2018-19 has improved by \$487 million since the 2019-20 Budget to a deficit of \$2.191 billion, mainly due to the improved operating position and lower than estimated capital purchases.

Borrowing

Gross borrowing with QTC was \$29.468 billion, compared to \$29.256 billion in 2017-18, and was \$465 million lower than the 2019-20 Budget estimated actual projection.

Leases and similar arrangements were \$2.612 billion at year end, \$11 million lower than estimated.

Net Worth

The General Government's net worth was \$201.505 billion as at 30 June 2019, \$5.308 billion higher than the estimated actual included in the 2019-20 Budget. The increase related mainly to an upwards revaluation of land under roads and road infrastructure.

Net Debt

Net debt is the sum of deposits held, advances received and borrowings less cash and deposits, advances paid and investments, loans and placements. These financial assets exceeded these financial liabilities in the GGS by \$198 million at 30 June 2019. This reflects a \$1.859 billion improvement on the estimated actual forecast net debt of \$1.661 billion.

The improvement is primarily due to higher cash balances and lower borrowing with QTC resulting from improved net cash flows from operating activities and lower purchases of non-financial assets, as well as an increase in the valuation of investments, loans and placements.

Operating Result

The operating result represents the result for the State under the Accounting Standards framework. The GGS operating result of \$173 million differs from the net operating balance as it includes valuation adjustments such as gains and losses on financial and non-financial assets.

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Summary of Key UPF Financial Aggregates continued

Comprehensive Result - Total Change in Net Worth

The comprehensive result includes the revaluation of assets taken to reserves and actuarial adjustments to defined benefit superannuation liabilities. The increase from the estimated actual to the actual comprehensive result was due mainly to the revaluations of non-financial assets discussed above.

Public Non-financial Corporations (PNFC) Sector

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

- The PNFC Sector recorded a net operating surplus of \$1.669 billion, \$133 million higher than forecast. Both revenue and expenses were higher than forecast, in part due to higher than expected demand and pricing for electricity.
- The fiscal balance was a surplus of \$1.471 billion, compared to an estimated surplus of \$1.446 billion.
- PNFC borrowing with QTC was \$38.108 billion at year end, \$100 million lower than estimated in the 2019-20 Budget.

State Financial Sector (SFS)

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

- The net operating balance for 2018-19 was a deficit of \$1.086 billion, while the operating result was a deficit of \$4.048 billion as it includes over \$4.7 billion in unrealised market value adjustments for QTC's external borrowings and derivatives, following the fall in long term yields. QTC's market value interest expense is partly offset by its earnings on its long term investments managed by QIC.
- Purchases of non-financial assets for the SFS were \$8.485 billion.
- The net worth was \$191.747 billion, an increase of \$1.612 billion to that published in 2017-18 due to upwards revaluation of non-financial assets more than offsetting the market value increase in QTC's external borrowings and derivatives.

2018-19 Operating Statement by Sector (\$ million)

	General Government Sector		Public Non-financial Corporations Sector		Non-financial Public Sector (b)		Public Financial Corporations Sector (b)		State Financial Sector	
	Est. Actual	Outcome	Est. Actual	Outcome	Est. Actual	Outcome	Est. Actual	Outcome	Est. Actual	Outcome
Revenue from Transactions										
Taxation revenue	14,005	14,165	-	-	13,724	13,876	-	-	13,870	13,870
Grants revenue	28,709	28,307	561	605	28,745	28,338	-	-	28,239	28,239
Sales of goods and services	5,869	5,789	12,142	13,060	15,854	16,684	2,360	2,360	18,713	18,713
Interest income	2,247	2,191	67	80	2,270	2,219	4,349	4,349	1,678	1,678
Dividend and income tax equivalent income	2,661	2,786	13	13	149	160	-	-	15	15
Other revenue	6,575	6,596	433	497	6,957	7,057	63	63	7,111	7,111
Total Revenue from Transactions	60,068	59,834	13,215	14,256	67,699	68,334	6,772	6,772	69,627	69,627
Expenses from Transactions										
Employee expenses	24,096	24,019	2,010	1,877	25,987	25,786	366	366	25,877	25,877
Superannuation expenses	642	642	-	(12)	642	630	-	-	630	630
Superannuation interest cost	3,044	3,012	212	223	3,256	3,235	24	24	3,258	3,258
Other superannuation expenses	16,791	16,490	3,903	5,080	18,481	19,349	2,284	2,284	21,622	21,622
Other operating expenses	3,449	3,451	2,776	2,585	6,225	6,036	15	15	6,051	6,051
Depreciation and amortisation	1,514	1,581	1,876	1,860	3,192	3,233	5,893	5,893	4,177	4,177
Other interest expenses	9,691	9,647	16	26	9,182	9,098	99	99	9,098	9,098
Grants expenses	-	-	886	948	-	-	36	36	-	-
Other property expenses	-	-	-	-	-	-	-	-	-	-
Total Expenses from Transactions	59,226	58,842	11,679	12,587	66,965	67,367	8,716	8,716	70,712	70,712
Equals	841	992	1,536	1,669	734	967	(1,944)	(1,944)	(1,086)	(1,086)
Other economic flows - included in operating result	(938)	(819)	227	179	(785)	(742)	1,963	1,963	(2,962)	(2,962)
Operating Result	(97)	173	1,763	1,848	(51)	225	19	19	(4,048)	(4,048)
Other economic flows - other movements in equity	585	5,624	(796)	(1,116)	539	5,570	(824)	(824)	5,660	5,660
Comprehensive Result - Total Change in Net Worth (d)	488	5,796	967	732	488	5,795	(805)	(805)	1,612	1,612
KEY FISCAL AGGREGATES										
Net Operating Balance	841	992	1,536	1,669	734	967	(1,944)	(1,944)	(1,086)	(1,086)
Net Acquisition/(Disposal) of Non-financial Assets										
Purchases of non-financial assets	6,060	5,764	2,801	2,687	8,856	8,460	24	24	8,485	8,485
Less Sales of non-financial assets	292	312	44	33	335	345	61	61	405	405
Less Depreciation	3,449	3,451	2,776	2,585	6,225	6,036	15	15	6,051	6,051
Plus Change in inventories	47	61	36	29	83	90	-	-	90	90
Plus Other movements in non-financial assets	1,152	1,121	72	100	1,224	1,221	-	-	1,221	1,221
Equals Total Net Acquisition of Non-financial Assets	3,518	3,182	90	198	3,602	3,390	(51)	(51)	3,339	3,339
Equals Fiscal Balance	(2,677)	(2,191)	1,446	1,471	(2,868)	(2,422)	(1,893)	(1,893)	(4,425)	(4,425)

Notes:

(a) Numbers may not add due to rounding.

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

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

(d) For GFS, the change in Net Worth is the change from the previous published outcome. This differs from the AASB 1049 statements where prior year adjustments are permitted under IFRS.

2018-19 Balance Sheet by Sector (\$ million)

	General Government Sector		Public Non-financial Corporations Sector		Non-financial Public Sector ^(b)		Public Financial Corporations Sector ^(b)		State Financial Sector	
	Est. Actual	Outcome	Est. Actual	Outcome	Est. Actual	Outcome	Est. Actual	Outcome	Est. Actual	Outcome ^(c)
Assets										
Financial assets										
Cash and deposits	489	1,868	599	704	1,088	2,571	1,674	2,291		2,291
Advances paid	676	667	1,869	2,268	670	661	-	661		661
Investments, loans and placements	32,125	32,557	545	642	32,669	33,199	145,236	71,756		71,756
Receivables	4,377	4,503	1,703	1,874	4,142	4,247	372	4,562		4,562
Equity										
Investments in other public sector entities	23,951	23,049	-	-	4,080	3,412	-	-		-
Investments - other	151	150	250	297	401	446	-	446		446
Total financial assets	61,769	62,793	4,967	5,784	43,050	44,536	147,282	79,716		79,716
Non-financial Assets										
Land and other fixed assets	205,180	211,257	63,881	63,530	269,060	274,787	136	274,923		274,923
Other non-financial assets	6,634	6,700	1,220	893	1,187	992	63	885		885
Total Non-financial Assets	211,814	217,957	65,101	64,423	270,248	275,779	199	275,808		275,808
Total assets	273,583	280,750	70,068	70,207	313,298	320,315	147,481	355,525		355,525
Liabilities										
Payables	4,265	5,142	3,183	3,395	5,537	6,438	121	6,502		6,502
Superannuation liability	26,739	26,986	(368)	(263)	26,371	26,723	-	26,723		26,723
Other employee benefits	7,073	7,428	719	830	7,792	8,259	138	8,397		8,397
Deposits held	2	-	17	14	19	14	7,173	5,233		5,233
Advances received	2,270	2,692	6	6	400	424	-	424		424
Borrowing with QTC	29,933	29,468	38,208	38,108	68,141	67,576	-	-		-
Leases and other similar arrangements	2,623	2,612	-	-	2,623	2,612	-	353		2,965
Securities and derivatives	122	121	549	599	671	720	131,412	102,786		102,786
Other liabilities	4,358	4,796	7,883	7,880	5,546	6,045	4,873	10,748		10,748
Total liabilities	77,386	79,246	50,197	50,570	117,101	118,810	144,069	163,777		163,777
Net Worth	196,197	201,505	19,872	19,637	196,197	201,504	3,412	191,747		191,747
KEY FISCAL AGGREGATES										
Net Financial Worth	(15,617)	(16,452)	(45,230)	(44,786)	(74,051)	(74,274)	3,212	(84,061)		(84,061)
Net Financial Liabilities	39,568	39,501	NA	NA	78,131	77,686	NA	84,061		84,061
Net Debt	1,661	(198)	35,767	35,114	37,428	34,916	(7,973)	36,700		36,700

Notes:

(a) Numbers may not add due to rounding.

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

(c) In accordance with UPF requirements, estimates for Public Financial Corporations (PFC) and State Financial sectors are not included in Budget documentation.

2018-19 Cash Flow Statement by Sector (\$ million)

	General Government Sector		Public Non-financial Corporations Sector		Non-financial Public Sector ^(b)		Public Financial Corporations Sector ^(b)		State Financial Sector	
	Est. Actual	Outcome	Est. Actual	Outcome	Est. Actual	Outcome	Est. Actual	Outcome	Est. Actual	Outcome
Cash Receipts from Operating Activities										
Taxes received	14,003	14,127	-	-	13,723	13,842	-	-	13,836	13,836
Grants and subsidies received	28,991	28,572	551	610	29,015	28,602	-	-	28,503	28,503
Sales of goods and services	6,175	6,027	13,267	15,010	16,759	18,882	2,534	2,534	21,060	21,060
Interest receipts	2,245	2,173	66	80	2,267	2,202	4,305	4,305	1,677	1,677
Dividends and income tax equivalents	2,815	3,027	13	13	159	326	-	-	15	15
Other receipts	8,027	8,034	286	395	8,268	8,418	111	111	8,522	8,522
62,256	61,959	14,182	16,110	70,191	72,272	6,950	6,950	73,613	73,613	73,613
Cash Payments for Operating Activities										
Payments for employees	(27,598)	(27,348)	(2,273)	(2,032)	(29,751)	(29,270)	(384)	(384)	(29,379)	(29,379)
Payments for goods and services	(18,802)	(17,889)	(4,619)	(6,393)	(20,697)	(22,084)	(1,550)	(1,550)	(23,597)	(23,597)
Grants and subsidies	(9,799)	(9,391)	(298)	(266)	(9,569)	(9,078)	(99)	(99)	(9,078)	(9,078)
Interest paid	(1,513)	(1,568)	(1,876)	(1,856)	(3,192)	(3,220)	(5,832)	(5,832)	(4,163)	(4,163)
Other payments	(1)	(9)	(1,395)	(1,487)	(571)	(627)	(412)	(412)	(836)	(836)
(57,712)	(56,206)	(10,461)	(12,035)	(63,781)	(64,278)	(8,277)	(8,277)	(67,053)	(67,053)	(67,053)
4,544	5,754	3,722	4,074	6,410	7,994	(1,326)	(1,326)	6,560	6,560	6,560
Cash Flows from Investing Activities										
Non-financial Assets										
Purchases of non-financial assets	(6,060)	(5,764)	(2,801)	(2,687)	(8,856)	(8,460)	(24)	(24)	(8,485)	(8,485)
Sales of non-financial assets	292	312	44	33	335	345	61	61	405	405
(5,769)	(5,452)	(2,758)	(2,654)	(8,520)	(8,115)	37	37	(8,079)	(8,079)	(8,079)
Financial Assets (Policy Purposes)										
Financial Assets (Liquidity Purposes)										
1,426	918	(47)	77	1,379	996	1,506	1,506	1,671	1,671	1,671
(4,434)	(4,691)	(2,464)	(2,555)	(7,197)	(7,171)	1,543	1,543	(6,459)	(6,459)	(6,459)
Net Cash Flows from Investing Activities										
Receipts from Financing Activities										
Advances received (net)	(475)	(56)	(1)	(1)	(60)	(40)	-	-	(40)	(40)
Borrowing (net)	(452)	(440)	500	411	48	(30)	(384)	(384)	(416)	(416)
Dividends paid	-	-	(1,850)	(1,849)	-	-	(110)	(110)	-	-
Deposits received (net)	-	-	1	(1)	1	(1)	1,062	1,062	534	534
Other financing (net)	-	-	110	44	-	(64)	140	140	907	907
(927)	(497)	(1,240)	(1,397)	(11)	(135)	708	708	985	985	985
Net Increase/(Decrease) in Cash Held	(816)	566	18	123	(798)	688	924	924	1,086	1,086
KEY FISCAL AGGREGATES										
Net cash from operating activities	4,544	5,754	3,722	4,074	6,410	7,994	(1,326)	(1,326)	6,560	6,560
Net cash from investments in non-financial assets	(5,769)	(5,452)	(2,758)	(2,654)	(8,520)	(8,115)	37	37	(8,079)	(8,079)
Dividends paid	-	-	(1,850)	(1,849)	-	-	(110)	(110)	-	-
Cash Surplus/(Deficit)	(1,224)	302	(886)	(429)	(2,110)	(121)	(1,400)	(1,400)	(1,520)	(1,520)
Derivation of ABS GFS Cash Surplus/Deficit										
Cash surplus/(deficit)	(1,224)	302	(886)	(429)	(2,110)	(121)	(1,400)	(1,400)	(1,520)	(1,520)
Acquisitions under finance leases and similar arrangements	(974)	(955)	-	-	(974)	(955)	-	-	(955)	(955)
ABS GFS Cash Surplus/(Deficit) Including Finance Leases and Similar Arrangements	(2,198)	(653)	(886)	(429)	(3,084)	(1,076)	(1,400)	(1,400)	(2,475)	(2,475)

Notes:

(a) Numbers may not add due to rounding.

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

(c) In accordance with UPF requirements, estimates for Public Financial Corporations (PFC) and State Financial sectors are not included in Budget documentation.

Outcomes Report - Other General Government UPF Data

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

General Government Sector Taxes

	2018-19 Outcome \$ million
Taxes on employers' payroll and labour force	4,160
Taxes on property	
Land taxes	1,334
Other	541
Taxes on the provision of goods and services	
Stamp duties on financial and capital transactions	3,232
Financial Institutions' transactions taxes	156
Taxes on gambling	1,333
Taxes on insurance	1,003
Taxes on use of goods and performance of activities	
Motor vehicle taxes	2,405
Other	1
Total Taxation Revenue	14,165
Note:	
1. Numbers may not add due to rounding.	

General Government Sector Dividend and Income Tax Equivalent Income

	2018-19 Outcome \$ million
Dividend and Income Tax Equivalent income from PNFC sector	2,639
Dividend and Income Tax Equivalent income from PFC sector	145
Other Dividend and Income Tax Equivalent income	2
Total Dividend and Income Tax Equivalent income	2,786
Note:	
1. Numbers may not add due to rounding.	

Outcomes Report - Other General Government UPF Data

General Government Sector Grant Revenue

	2018-19 Outcome \$ million
Current grant revenue	
Current grants from the Commonwealth	
General purpose grants	14,374
Specific purpose grants	8,633
Specific purpose grants for on-passing	3,257
Total current grants from the Commonwealth	26,265
Other contributions and grants	326
Total current grant revenue	26,591
Capital grant revenue	
Capital grants from the Commonwealth	
Specific purpose grants	1,662
Specific purpose grants for on-passing	5
Total capital grants from the Commonwealth	1,667
Other contributions and grants	49
Total capital grant revenue	1,716
Total grant revenue	28,307
Note:	
1. Numbers may not add due to rounding.	

General Government Sector Grant Expense

	2018-19 Outcome \$ million
Current grant expenses	
Private and not-for-profit sector	2,415
Private and not-for-profit sector on-passing	2,775
Local Government	195
Local Government on-passing	492
Grants to other sectors of Government	1,607
Other	393
Total current grant expense	7,878
Capital grant expenses	
Private and not-for-profit sector	521
Local Government	1,074
Local Government on-passing	6
Grants to other sectors of Government	36
Other	132
Total capital grant expenses	1,769
Total grant expenses	9,647
Note:	
1. Numbers may not add due to rounding.	

Outcomes Report - Other General Government UPF Data

General Government Sector Expenses by Function

	2018-19 Outcome \$ million		2018-19 Outcome \$ million
General Public Services	5,637	Health	17,996
Executive and legislative organs, financial and fiscal affairs, external affairs	657	Outpatient services	2,853
General services	342	Hospital services	10,138
Public debt transactions	1,556	Mental health institutions	472
Transfers of a general character between level of government	570	Community health services	3,616
General public services n.e.c.	2,513	Public health services	409
		R&D - Health	255
		Health n.e.c.	254
Public Order and Safety	5,238	Recreation, Culture and Religion	833
Police services	2,171	Recreation and sporting services	333
Civil and fire protection services	558	Cultural services	372
Law courts	886	Recreation, culture and religion n.e.c.	128
Prisons	1,147		
Public order and safety n.e.c.	476	Education	14,310
		Pre-primary and primary education	6,926
Economic Affairs	1,806	Secondary education	4,637
General economic, commercial and labour affairs	321	Tertiary education	1,307
Agriculture, forestry, fishing and hunting	381	Subsidiary services to education	168
Fuel and energy	469	Education n.e.c.	1,272
Mining, manufacturing and construction	271		
R&D - Economic affairs	185	Social Protection	4,605
Other industries	179	Sickness and disability	1,848
		Old age	12
Environmental Protection	1,077	Family and children	1,373
Waste water management	5	Housing	425
Protection of biodiversity and landscape	719	Social exclusion n.e.c.	174
Environmental protection n.e.c.	353	Social protection n.e.c.	773
Housing and Community Amenities	1,062	Transport	6,277
Housing development	696	Road transport	2,773
Community development	116	Bus transport	67
Water supply	218	Water transport	165
Housing and community amenities n.e.c.	32	Railway transport	2,018
		Multi-mode urban transport	847
		Transport n.e.c.	407
		Total	58,842

Note:

1. Numbers may not add due to rounding.

General Government Sector Purchases of Non-financial Assets by Function

	2018-19 Outcome \$ million
General public services	242
Public order and safety	417
Economic affairs	30
Environmental protection	136
Housing and community amenities	299
Health	574
Recreation, culture and religion	44
Education	844
Social protection	60
Transport	3,120
Total	5,764

Note:

1. Numbers may not add due to rounding.

Certification of Outcomes Report

Management Certification

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

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

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

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

- (i) the Operating Statement and Cash Flows of the Queensland State Government for the financial year; and
- (ii) the Balance Sheet of the Government at 30 June 2019.

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

Glenn Miller, CPA
Acting Head of Budget and Financial I
Queensland Treasury

Frankie Carroll, CA FCCA GAICD AITI
Under Treasurer
Queensland Treasury

22 January 2020