

Our financial performance

Statement by the Chief Finance Officer

In accordance with requirements of the *Financial Accountability Act 2009*, the Chief Finance Officer has provided the Director-General with a statement confirming the financial internal controls of the department are operating efficiently, effectively and economically in conformance with section 57 of the Financial and Performance Management Standard 2009.

The Chief Finance Officer has fulfilled the minimum responsibilities as required by the *Financial Accountability Act 2009*.

Summary of financial performance

The financial summary provides an overview of the financial statements of the department for the year ended 30 June 2017, which are provided in detail in the 'financial statements' section of this report.

As at 30 June 2017, the reporting entity consists of five service areas:

- Local Government
- Funding Programs and Community Initiatives
- Infrastructure Policy and Planning
- Better Planning for Queensland
- Business and Economic Growth.

Table 1: Financial snapshot

	2017	2016
	\$'000	\$'000
Total income	541,275	345,209
Total expenses	554,833	353,776
Operating result from continuing operations (before tax)	(13,558)	(8,567)
Income tax equivalent (expense)/benefit	(7,048)	6,407
Operating result from continuing operations (after tax)	(20,606)	(2,160)
Other comprehensive income		
Increase/(decrease) in asset revaluation reserve	7,397	(240)
Total comprehensive income	(13,209)	(2,400)
Total assets		
Total assets	1,175,957	1,087,179
Total liabilities		
Total liabilities	295,303	196,244
Net assets (liabilities)	880,654	890,935

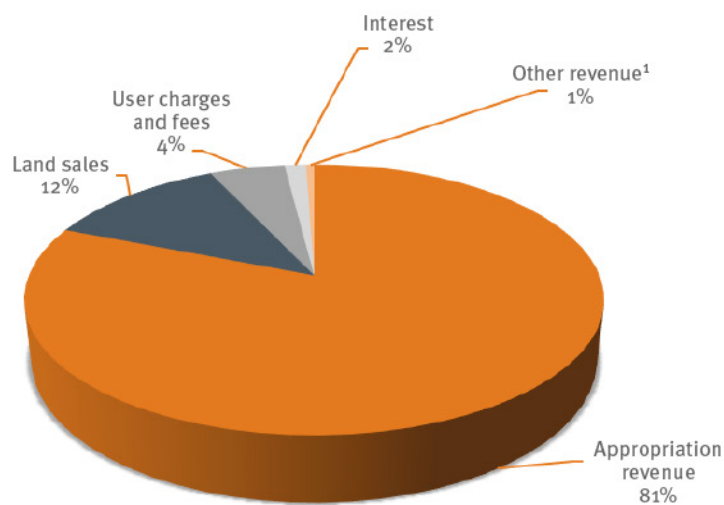
Source: Department of Infrastructure, Local Government and Planning

Our income – Where the funds come from

Income for the department totalled \$541.3 million for 2016–17. This represents an increase of \$196.1 million on the prior financial year mainly due to new funding for the Works for Queensland program and the Indigenous Councils Critical Infrastructure Program.

Appropriation revenue is the main source of income for the department at \$438.4 million (81%). Economic Development Queensland land sales accounted for \$65.2 million (12%) of the department’s income in 2016–17.

Figure 1 – Income by category for year ended 30 June 2017



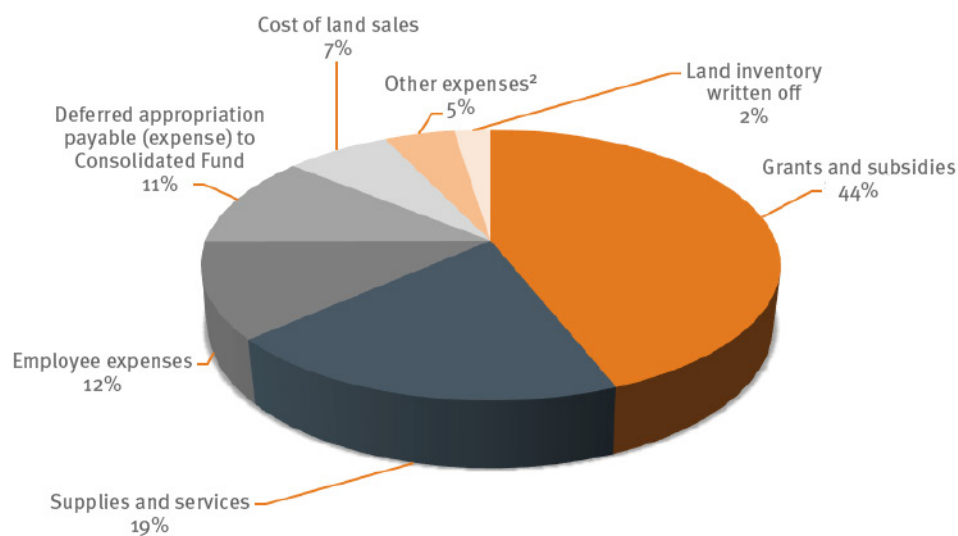
¹ Other revenue comprises the following financial statement line items: Grants and other contributions, gains on disposal/remeasurement of assets, other revenue.

Our expenses – How funds are spent

Expenses from continuing operations for the department totalled \$554.8 million for 2016–17, an increase of \$201.1 million on the prior financial year mainly due to funding provided to local governments under the new Works for Queensland program and additional contractor expenses incurred for the Cross River Rail project.

Grants and subsidies are the department’s major expense category at \$244.3 million (44%), supplies and services comprise \$107.6 million (19%), followed by employee expenses of \$64 million (12%).

Figure 2 – Expenses by major category for year ended 30 June 2017

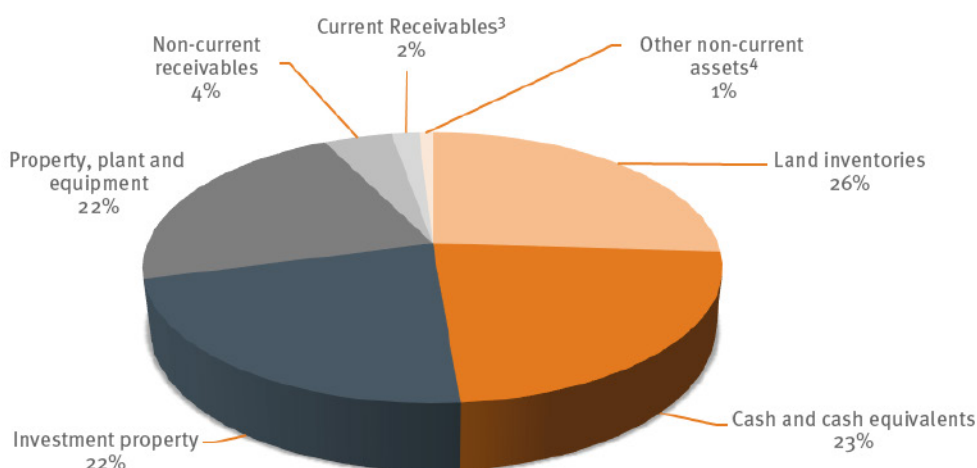


² Other expenses comprises of the following financial statement line items: Depreciation and amortisation, impairment losses, finance/borrowing costs, other expenses.

Our assets – What we own

As at 30 June 2017, the department held assets totalling \$1176 million, with \$305.5 million (26%) relating to land inventories and \$267.6 million (23%) held as cash and cash equivalents. Property, plant and equipment accounted for \$257.6 million (22%) and investment property for \$259.9 million (22%).

Figure 3 – Assets by category for year ended 30 June 2017



³ Current Receivables comprises of the following financial statement line items: Current receivables and other current assets.

⁴ Other non-current assets comprises of the following financial statement line items: Intangible assets and deferred tax equivalent asset.

Our liabilities – What we owe

As at 30 June 2017, the department held liabilities totalling \$295.3 million, with \$86.9 million (29%) relating to the deferred tax equivalent liability in Economic Development Queensland.