

# Financial performance summary

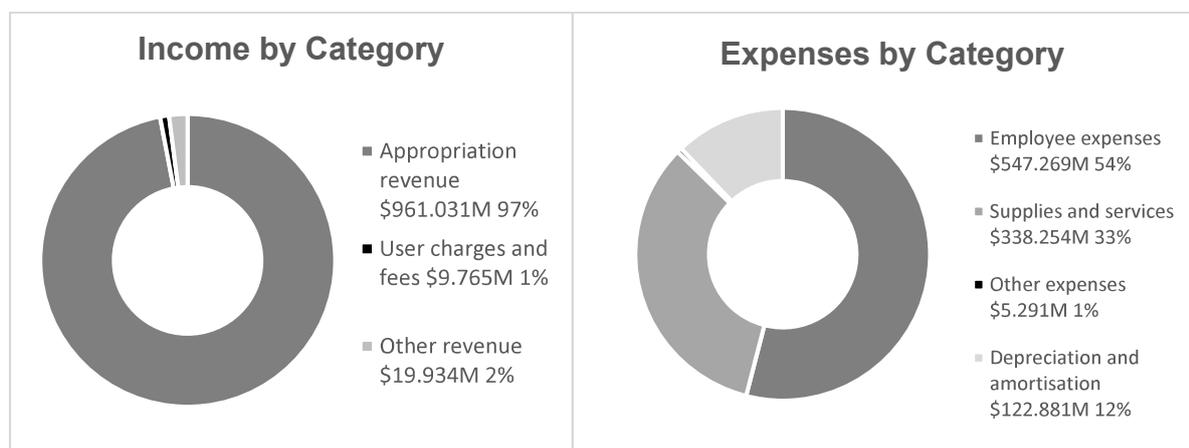
The following table summarises the operating result and financial position for the 2019–20 reporting period.

STATEMENT OF COMPREHENSIVE INCOME	2020 ACTUAL \$'000	2020 ORIGINAL BUDGET \$'000
Total Income	990,730	1,003,977
Total Expenses	1,013,695	1,003,977
Operating surplus (deficit)	(22,965)	–
STATEMENT OF FINANCIAL POSITION	2020 ACTUAL \$'000	2020 ORIGINAL BUDGET \$'000
Total assets	2,774,546	2,726,195
Total liabilities	67,184	54,133
Net assets/equity	2,707,362	2,672,062

## Income and expenses

QCS is funded to enhance the safety of Queenslanders through modern, sustainable and evidence-based corrective services to maximise rehabilitation and reduce recidivism. Funding for these services is received principally through parliamentary appropriation.

QCS also receives income from other revenue sources including user charges and fees comprising the sale of goods and services to prisoners, prison industries, government grants and contributions. For the reporting period, QCS received income totalling \$990.730 million.



For the reporting period, QCS incurred total expenditure of \$1.014 billion. Its two largest expense categories are employee expenses and supplies and services.

## Operating Result

The operating result for the department is a loss of \$22.965 million for the 2019–20 reporting period. The loss is a result of fluctuations in prisoner numbers and service demands driving growth in costs which were not anticipated within existing funding models and budgetary allocations.

## Summary of financial position

The total net assets/equity of QCS as at 30 June 2020 was \$2.707 billion.

Property, plant and equipment forms the majority value of QCS' net assets. The major value resides in high security correctional centre assets across the state and includes 12 high security correctional centres, seven low security correctional centres and 13 work camps. The capital works asset balances of \$229.284 million reflect various upgrade, expansion and enhancement projects underway across correctional centres.

Property, plant and equipment capital acquisitions for the reporting period was \$119.090 million, the highlight being over \$88 million invested in construction for the expansion of the Capricornia Correctional Centre during 2019–20, which will deliver an additional 348 cells.

## Comparison of actual financial results with budget

Provision of budgetary reporting disclosures in note 25 of the financial statements allows comparison of the actual financial results of the operations of QCS with the original budget published in the State Budget Papers 2019–20 Service Delivery Statements. This is consistent with the government's commitment to more transparent financial reporting.

## Chief Financial Officer statement

The Assistant Commissioner, Financial Services and Strategic Sourcing Command, is the appointed Chief Financial Officer (CFO) responsible for the financial administration of the department.

In accordance with section 77(2)(b) of the *Financial Accountability Act 2009* (the Act), the CFO has provided the Commissioner with a statement conforming with section 57 of the *Financial and Performance Management Standard 2019* attesting that QCS' financial internal controls are operating efficiently, effectively and economically. The CFO for QCS has fulfilled minimum responsibilities of the role as defined in section 77(1) of the Act.

