

ABOUT THIS BUDGET PAPER

Purpose and scope

Budget Paper No. 4 Agency Financial Statements outlines the financial statements for general government sector agencies.

The scope of this Budget Paper only includes agencies that are material within the sector. Individual agencies are separate legal entities that must prepare financial and annual reports.

This Budget Paper details:

- cluster and agency arrangements following recent machinery of government changes
- recurrent and capital expenditure by cluster and agency.

Changes to cluster and agency arrangements

In December 2021, February, March, April and June 2022, the Government announced machinery of government changes, including the Enterprise, Investment and Trade cluster.

From 1 April 2022, the NSW general government sector comprises the following clusters:

- Customer Service
- Education
- Enterprise, Investment and Trade
- Health
- Planning and Environment
- Premier and Cabinet
- Regional NSW
- Stronger Communities
- Transport and Infrastructure
- Treasury.

Administrative arrangements

Since the 2021-22 Budget, the following Administrative Arrangements Orders have been made to provide for new Ministerial and agency arrangements and responsibilities.

Administrative Arrangement orders made during the financial year as follows:

- [Administrative Arrangements \(Second Perrottet Ministry—Transitional\) Order 2021](#)
- [Administrative Arrangements \(Administrative Changes— Ministers and Public Service Agencies\) Order \(No 5\) 2021](#)
- [Administrative Arrangements \(Administrative Changes – Miscellaneous\) Order 2022](#)
- [Administrative Arrangements \(Administrative Changes—Miscellaneous\) Order \(No 2\) 2022](#)
- [Administrative Arrangements \(Administrative Changes—Miscellaneous\) Order \(No 3\) 2022](#)
- [Administrative Arrangements \(Administrative Changes—Miscellaneous\) Order \(No 4\) 2022](#)
- [Administrative Arrangements \(Administrative Changes—Miscellaneous\) Order \(No 5\) 2022](#)
- [Administrative Arrangements \(Administrative Changes—Miscellaneous\) Order \(No 6\) 2022](#)

The 2022-23 Budget Papers reflect the latest administrative arrangements, with the exception where entire agencies (legal entities) have moved clusters.

An overview of the administrative changes across the New South Wales Government since the 2021-22 Budget is outlined in the table below:

Cluster	Administrative arrangements changes
<p>Customer Service cluster</p>	<p>The following entities and functions were transferred under the <i>Administrative Arrangements (Second Perrottet Ministry - Transitional) Order 2021</i> and <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order 2022</i>, effective 1 April 2022, as follows:</p> <p>Transfers from the Customer Service cluster</p> <ul style="list-style-type: none"> • Independent Liquor and Gaming Authority was transferred to the Enterprise, Investment and Trade cluster. • The persons employed in the Department of Customer Service to enable the Independent Liquor and Gaming Authority to exercise its functions are transferred to the Department of Enterprise, Investment and Trade. • The persons employed in the Department of Customer Service who are principally involved in the administration of legislation allocated to the Minister for Hospitality and Racing are transferred to the Department of Enterprise, Investment and Trade. <p>Transfers to the Customer Service cluster</p> <ul style="list-style-type: none"> • The persons employed in the Treasury to enable the Small Business Commissioner to exercise the Commissioner’s functions are transferred to the Department of Customer Service. • The persons employed in Treasury who are principally involved in providing support for NSW Business Connect are transferred to Service NSW.
<p>Enterprise, Investment and Trade cluster</p>	<p>The Department of Enterprise, Investment and Trade and associated Enterprise, Investment and Trade cluster was established as a result of the <i>Administrative Arrangements (Second Perrottet Ministry - Transitional) Order 2021</i>, effective 1 April 2022.</p> <p>The following entities and functions were transferred under the <i>Administrative Arrangements (Second Perrottet Ministry - Transitional) Order 2021</i> and <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order 2022</i>, effective 1 April 2022, and under the <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No.6) 2022</i>, effective 1 July 2022, as follows:</p> <p>Transfers to the Enterprise, Investment and Trade cluster</p> <ul style="list-style-type: none"> • Investment NSW, Destination NSW, Art Gallery of New South Wales, Australian Museum, the Historic Houses Trust of New South Wales, Museum of Applied Arts and Sciences, State Archives and Records Authority of New South Wales, State Library of New South Wales, Western Parkland City Authority and the Sydney Opera House Trust (a public non-financial corporation (PNFC)) were transferred from the Premier and Cabinet cluster. • Independent Liquor and Gaming Authority was transferred from the Customer Service cluster. • Venues NSW (PNFC), Office of Sport and Institute of Sport (immaterial entity) were transferred from the Stronger Communities cluster. • The persons employed in Investment NSW to enable Destination NSW to exercise its functions are transferred to the Destination NSW Staff Agency. • The persons employed in the Department of Premier and Cabinet to enable the State Archives and Records Authority of New South Wales to exercise its functions are transferred to the State Archives and Records Authority of New South Wales Staff Agency. • The persons employed in the Department of Customer Service to enable the Independent Liquor and Gaming Authority to exercise its functions are transferred to the Department of Enterprise, Investment and Trade. • The persons employed in the Department of Premier and Cabinet to enable the Historic Houses Trust of New South Wales to exercise its functions are transferred to the State Archives and Records Authority of New South Wales Staff Agency.

Cluster	Administrative arrangements changes
	<ul style="list-style-type: none"> The persons employed in the Department of Customer Service who are principally involved in the administration of legislation allocated to the Minister for Hospitality and Racing are transferred to the Department of Enterprise, Investment and Trade. The persons employed in Investment NSW are transferred to the Department of Enterprise, Investment and Trade. Investment NSW is abolished, effective from 1 July 2022.
Premier and Cabinet cluster	<p>The following entities and functions were transferred under the <i>Administrative Arrangements (Second Perrottet Ministry - Transitional) Order 2021</i> and <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order 2022</i>, effective from 1 April 2022, as follows:</p> <p>Transfers from the Premier and Cabinet cluster</p> <ul style="list-style-type: none"> Investment NSW, Destination NSW, Art Gallery of New South Wales, Australian Museum, the Historic Houses Trust of New South Wales, Museum of Applied Arts and Sciences, State Archives and Records Authority of New South Wales, State Library of New South Wales, Western Parkland City Authority and the Sydney Opera House Trust were transferred to the Enterprise, Investment and Trade cluster. Resilience NSW was transferred to the Stronger Communities cluster. Greater Sydney Commission (renamed to the Greater Cities Commission) and Infrastructure NSW were transferred to the Transport and Infrastructure cluster. The persons employed in Investment NSW to enable Destination NSW to exercise its functions are transferred to the Destination NSW Staff Agency in the Enterprise, Investment and Trade cluster. The persons employed in the Heritage Branch in the Department of Premier and Cabinet are transferred to the Department of Planning and Environment. The persons employed in the Department of Premier and Cabinet to enable the State Archives and Records Authority of New South Wales to exercise its functions are transferred to the State Archives and Records Authority of New South Wales Staff Agency in the Enterprise, Investment and Trade cluster. The persons employed in the Department of Premier and Cabinet to enable the Historic Houses Trust of New South Wales to exercise its functions are transferred to the State Archives and Records Authority of New South Wales Staff Agency. <p>Transfers to the Premier and Cabinet cluster</p> <ul style="list-style-type: none"> The persons employed in Women NSW in the Department of Communities and Justice are transferred to the Department of Premier and Cabinet. The persons employed in the Office of Community Safety and Cohesion in the Department of Communities and Justice are transferred to the Department of Premier and Cabinet.
Planning and Environment cluster	<p>The following entities and functions were transferred under the <i>Administrative Arrangements (Second Perrottet Ministry - Transitional) Order 2021</i> and <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No.2) 2022</i>, effective 1 April 2022, as follows:</p> <p>Transfers from the Planning and Environment cluster</p> <ul style="list-style-type: none"> Centennial Park and Moore Park Trust, Luna Park Reserve Trust, Parramatta Park Trust (immaterial entity), Place Management NSW (PNFC), the Royal Botanic Gardens and Domain Trust and the Western Sydney Parklands Trust were transferred to the Transport and Infrastructure cluster. The persons employed in the Cities group in the Department of Planning and Environment are transferred to the Department of Transport (subsequently renamed to Transport for NSW). The persons employed in the Department of Planning and Environment who are principally involved in the administration of legislation allocated, or providing support, to the Minister for Energy are transferred to the Treasury. <p>Transfers to the Planning and Environment cluster</p> <ul style="list-style-type: none"> The persons employed in the Heritage Branch in the Department of Premier and Cabinet are transferred to the Department of Planning and Environment.

Cluster	Administrative arrangements changes
<p>Regional NSW cluster</p>	<p>The following transfers were made in the Regional NSW cluster under the <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order 2022</i>, effective 1 July 2022, and under the <i>Growth Centres (Development Corporations) Amendment (Northern Rivers Reconstruction Corporation) Order 2022</i>, effective 1 July 2022, as follows:</p> <p>Transfers within the Regional NSW cluster</p> <ul style="list-style-type: none"> • The persons employed in the Local Land Services Staff Agency who are principally involved in the administration of the <i>Soil Conservation Act 1938</i> are transferred to the Department of Regional NSW. • A new coordinating body, the Northern Rivers Reconstruction Corporation (NRRC) is being established to lead the long-term reconstruction of flood impacted areas across northern NSW, including the transfer of functions between the Department of Regional NSW and the NRRC.
<p>Stronger Communities cluster</p>	<p>The following entities and functions were transferred under the <i>Administrative Arrangements (Second Perrottet Ministry - Transitional) Order 2021</i> and <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order 2022</i>, effective 1 April 2022, as follows:</p> <p>Transfers from the Stronger Communities cluster</p> <ul style="list-style-type: none"> • Venues NSW (PNFC), Office of Sport and Institute of Sport (immaterial entity) were transferred from the Stronger Communities cluster to the Enterprise, Investment and Trade cluster. • The persons employed in Women NSW in the Department of Communities and Justice are transferred to the Department of Premier and Cabinet. • The persons employed in the Office of Community Safety and Cohesion in the Department of Communities and Justice are transferred to the Department of Premier and Cabinet. <p>Transfers to the Stronger Communities cluster</p> <ul style="list-style-type: none"> • Resilience NSW was transferred from the Premier and Cabinet cluster.
<p>Transport and Infrastructure cluster</p>	<p>The following entities and functions were transferred under the <i>Administrative Arrangements (Second Perrottet Ministry - Transitional) Order 2021</i> and <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order 2022</i>, and <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No.2) 2022</i>, effective 1 April 2022, as follows:</p> <p>Transfers to the Transport and Infrastructure cluster</p> <ul style="list-style-type: none"> • Centennial Park and Moore Park Trust, Luna Park Reserve Trust, Parramatta Park Trust, Place Management NSW, the Royal Botanic Gardens and Domain Trust and the Western Sydney Parklands Trust were transferred from the Planning and Environment cluster. • Greater Sydney Commission (renamed to the Greater Cities Commission) and Infrastructure NSW were transferred from the Planning and Environment cluster. • The persons employed in the Cities group in the Department of Planning and Environment are transferred to the Department of Transport.

Cluster	Administrative arrangements changes
Treasury cluster	<p>The following functions were transferred under the <i>Administrative Arrangements (Second Perrottet Ministry - Transitional) Order 2021</i> and <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order 2022</i> and <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No.2) 2022</i>, effective 1 April 2022, as follows:</p> <p>Transfers from the Treasury cluster</p> <ul style="list-style-type: none"> The persons employed in the Treasury to enable the Small Business Commissioner to exercise the Commissioner's functions are transferred to the Department of Customer Service. The persons employed in Treasury who are principally involved in providing support for NSW Business Connect are transferred to Service NSW. <p>Transfers to the Treasury cluster</p> <ul style="list-style-type: none"> The persons employed in the Department of Planning and Environment who are principally involved in the administration of legislation allocated, or providing support, to the Minister for Energy are transferred to the Treasury. <p>Restructure of Port Lessor entities and establishment by Vesting orders</p> <p>Three new Ministerial Holding Corporations have been established to replace the State's Port Lessor Corporations Act (Cth) companies of Port Botany Lessor Ministerial Holding Corporation, Port Kembla Lessor Ministerial Holding Corporation and Port of Newcastle Lessor Ministerial Holding Corporation. The entities are established under clause 9 of Schedule 7 of the <i>Electricity Network Assets (Authorised Transactions) Act 2015</i> and will be effective from 1 July 2022. Unlike the prior Corporations Act companies, these new entities are not structured as subsidiaries of the Ports Assets Ministerial Holding Corporation.</p>

This administrative restructure has several accounting and financial consequences:

- cluster and principal department control relationships were amended with consequential consolidated financial reporting implications
- assets and liabilities associated with function transfers were transferred from the old agency to the new agency and transfers recognised as at 1 April 2022.
- staff, programs, projects and applicable funding associated with function and cluster transfers need to occur as at 1 April 2022.

The following statutory bodies, non-public financial corporations (PNFC) and public financial corporations (PFC) have transferred clusters, and where applicable, cluster grant funding and personnel services arrangements will also have to be transferred to a new principal department.

Entity	Cluster From	Cluster To
Independent Liquor and Gaming Authority	Customer Service	Enterprise, Investment and Trade
Greater Sydney Commission (<i>renamed to Greater Cities Commission</i>)	Premier and Cabinet	Transport and Infrastructure
Infrastructure NSW	Premier and Cabinet	Transport and Infrastructure
Investment NSW (<i>to be abolished from 1 July</i>)	Premier and Cabinet	Enterprise, Investment and Trade
Destination NSW	Premier and Cabinet	Enterprise, Investment and Trade
Art Gallery of New South Wales	Premier and Cabinet	Enterprise, Investment and Trade
Australian Museum	Premier and Cabinet	Enterprise, Investment and Trade
Historic Houses Trust of New South Wales	Premier and Cabinet	Enterprise, Investment and Trade
Museum of Applied Arts and Sciences	Premier and Cabinet	Enterprise, Investment and Trade
State Archives and Records Authority of New South Wales	Premier and Cabinet	Enterprise, Investment and Trade

Entity	Cluster From	Cluster To
State Library of New South Wales	Premier and Cabinet	Enterprise, Investment and Trade
Western Parkland City Authority	Premier and Cabinet	Enterprise, Investment and Trade
Sydney Opera House Trust (PNFC)	Premier and Cabinet	Enterprise, Investment and Trade
Resilience NSW	Premier and Cabinet	Stronger Communities
Royal Botanic Gardens and Domain Trust	Planning and Environment	Transport and Infrastructure
Centennial Park and Moore Park Trust	Planning and Environment	Transport and Infrastructure
Luna Park Reserve Trust	Planning and Environment	Transport and Infrastructure
Western Sydney Parklands Trust	Planning and Environment	Transport and Infrastructure
Parramatta Park Trust (Immaterial entity)	Planning and Environment	Transport and Infrastructure
Place Management NSW (PNFC)	Planning and Environment	Transport and Infrastructure
Institute of Sport (Immaterial entity)	Stronger Communities	Enterprise, Investment and Trade
Office of Sport	Stronger Communities	Enterprise, Investment and Trade
Venues NSW (PNFC)	Stronger Communities	Enterprise, Investment and Trade

The 2022-23 Budget papers have been prepared based on the new administrative arrangements. The machinery of government changes have been reflected with the following treatments:

- whole entity movement – in this case the entity will continue to report its full year expenses and will appear in the receiving cluster for BP4 presentation purposes
- where the entity is cluster grant funded, the original principal department will provide grants for 1 July 2021 to 31 March 2022 and the new principal department will provide cluster grants from 1 April 2022 to 30 June 2022 and for 2022-23 onwards.
- a function transfer is represented by a partial program or partial program group movement – this has been captured in both the former and the new cluster as follows:
 - for 1 July 2021 – 31 March 2022, expenses will be reported in the former entity, with no data for 2022-23 reflected in the previous entity,
 - for 1 April 2022 – 30 June 2022, expenses will be reported in the new entity, with the full budget reported for 2022-23 in the new entity.

Cluster and agency appropriation arrangements

Coordinating Ministers for each cluster receive an appropriation for their principal department. Resources are then allocated to agencies within the cluster through grant funding with the support of Portfolio Ministers and the Secretary of each principal department.

The Legislature and several smaller agencies classified as special or independent offices are funded through separate appropriations.

Entities that receive an appropriation for the 2022-23 Budget ^(a)

Appropriations – Departments

Department of Customer Service
 Department of Education
 Department of Enterprise, Investment and Trade
 Ministry of Health
 Department of Planning and Environment
 Department of Premier and Cabinet
 Department of Regional NSW
 Department of Communities and Justice
 Transport for NSW
 The Treasury ^(b)

Appropriations – Special Offices

Independent Pricing and Regulatory Tribunal
 Judicial Commission of New South Wales
 Office of the Children’s Guardian
 Office of the Director of Public Prosecutions
 Independent Commission Against Corruption
 Law Enforcement Conduct Commission
 New South Wales Electoral Commission
 Ombudsman’s Office
 Public Service Commission
Appropriation for Legislature
 The Legislature

(a) Appropriations as set out in the *Appropriation Bill 2022* and *Appropriation (Parliament) Bill 2022*, including (i) Departments of Public Service, (ii) various special offices and (iii) the Legislature.

(b) Include appropriation to the Treasurer for the purposes of the activities or services administered on behalf of the State that is administered by The Treasury.

Reporting of Budget data

The financial statements in this Budget Paper are prepared on an accrual basis of accounting, in accordance with Australian Accounting Standards.

The majority of agencies that have property leases with Property NSW have changed their occupancy agreement contracts as at 30 June 2022 so this is no longer recognised as a lease under AASB 16 Leases. Rather under the new contracts agencies record an annual service fee expense. Property NSW will be the lessee to the private sector and recognise the lease and the appropriate lease accounting under AASB 16 at the agency level.

Agency Expense Summary

This section lists recurrent expenses and capital expenditure for each agency in the cluster and the activities or services administered by the Treasurer on behalf of the State.

Financial Statements

Financial statements are presented for the ten clusters.

Section	Description
Operating Statement	This lists the major categories of expenses and revenues for each agency.
Balance Sheet	This details the agency’s assets, liabilities and net worth.
Cash Flow Statement	This details the cash impacts of agency activities, including the cash appropriations sourced from whole-of-government activities.

Notes

- The Budget year refers to 2022-23, while the forward estimates period refers to 2023-24, 2024-25 and 2025-26.
- Expenditure figures cited throughout refer to expenditure in the 2022-23 Budget year unless otherwise indicated.
- Expenditure figures cited as '2021-22 revised' refer to 2021-22 Budget updated year end projections as at 30 April 2022.
- Figures in tables, charts and text have been rounded. Discrepancies between totals and the sum of components reflect rounding:
 - values of \$1 billion and above are rounded to the nearest \$100 million unless specified
 - values below \$1 billion are rounded to the nearest \$100,000
 - estimates under \$100,000 are rounded to the nearest thousand
 - estimates midway between rounding points are rounded up
 - percentages are based on the underlying unrounded values.
- For the budget balance, parentheses indicate a deficit while no sign indicates a surplus.
- One billion equals one thousand million.
- The following notations are used:
 - n.a. means data is not available
 - N/A means not applicable
 - no. means number
 - 0 means not zero, but rounded to zero
 - ... means zero
 - \$m means millions of dollars
 - \$b means billions of dollars.
- Unless otherwise indicated, the data source for financial tables and charts is NSW Treasury.
- Unless otherwise indicated, the data source for the Introduction and Budget Highlights sections is the relevant agency or their cluster's principal department.