

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 includes agencies that are material within the sector that must prepare financial and annual reports.

This budget paper details:

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

Changes to principal department and agency arrangements

There are 12 principal departments delivering the work of the Government:

- Department of Climate Change, Energy, the Environment and Water
- Department of Communities and Justice
- Department of Creative Industries, Tourism, Hospitality and Sport (renamed from the Department of Enterprise, Investment and Trade)
- Department of Customer Service
- Department of Education
- Department of Planning, Housing and Infrastructure
- Department of Primary Industries and Regional Development (renamed from the Department of Regional NSW)
- Ministry of Health
- Premier's Department
- Transport for NSW (including the Department of Transport)
- The Cabinet Office
- Treasury.

Administrative arrangements

Since the 2024-25 Budget, multiple administrative arrangements orders have been made to provide for new Ministerial and agency arrangements and responsibilities.

The 2025-26 Budget Papers reflect the latest administrative arrangements and the NSW governance arrangements chart, including where agencies have moved between government portfolios.

Key changes since the 2024-25 Budget are set out in the following administrative orders:

- [Administrative Arrangements \(Administrative Changes – Miscellaneous\) Order \(No 2\) 2024](#)
- [Administrative Arrangements \(Administrative Changes – Miscellaneous\) Order \(No 3\) 2024](#)
- [Administrative Arrangements \(Administrative Changes – Corrective Services NSW\) Order 2024](#)
- [Administrative Arrangements \(Administrative Changes – Miscellaneous\) Order 2025](#)
- [Administrative Arrangements \(Administrative Changes – Miscellaneous\) Order \(No 2\) 2025](#)
- [Administrative Arrangements \(Administrative Changes – SafeWork NSW Agency\) Order 2025](#)

An overview of the administrative changes across the NSW Government since the 2024-25 Budget is provided in the table below:

Principal Department	Administrative Arrangements changes
Department of Climate Change, Energy, the Environment and Water	<p>Transfers within the Climate Change, Energy, the Environment and Water entity group</p> <p>The Energy Corporation of NSW Group was transferred from the Department of Climate Change, Energy, the Environment and Water to the Energy Corporation of New South Wales Staff Agency as per the <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No.2) 2024</i>, effective 1 July 2024.</p>
Department of Communities and Justice	<p>Transfer of functions from the Department of Communities and Justice</p> <p>The following executive agencies changed from being related to the Department of Communities and Justice to being related to the Department of Creative Industries, Tourism, Hospitality and Sport under the <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No.2) 2024</i>, effective 1 July 2024:</p> <ul style="list-style-type: none"> • Office of Sport • Venues NSW Staff Agency, and • Institute of Sport Staff Agency. <p>The following function is to be transferred from the Department of Communities and Justice to the Department of Customer Service under the <i>Administrative Arrangements (Administrative Changes – SafeWork NSW Agency) Order 2025</i>, effective 1 July 2025:</p> <ul style="list-style-type: none"> • the myWorkZone Service Level 3 Operations & Support branch and the Shared Services & Customer Experience branch. <p>Transfer of functions to the Department of Communities and Justice</p> <p>The following function is to be transferred from the Department of Primary Industries and Regional Development to the Department of Communities and Justice under the <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No.3) 2025</i>, effective 1 July 2025:</p> <ul style="list-style-type: none"> • the Office for Regional Youth. <p>Transfers within the Communities and Justice entity group</p> <p>Corrective Services NSW was established as a new Public Service agency that is an executive agency related to the Department of Communities and Justice, under the <i>Administrative Arrangements (Administrative Changes – Corrective Services NSW) Order 2024</i>, effective 1 October 2024.</p> <p>The following parts were transferred from the Department of Communities and Justice to Corrective Services NSW under the <i>Administrative Arrangements (Administrative Changes – Corrective Services NSW) Order 2024</i>, effective 1 October 2024:</p> <ul style="list-style-type: none"> • the functions of the Corrective Services NSW branch, other than the Professional Standards and Investigations division of the branch.

Principal Department	Administrative Arrangements changes
Department of Creative Industries, Tourism, Hospitality and Sport	<p>Rename of the Department of Enterprise, Investment and Trade to the Department of Creative Industries, Tourism, Hospitality and Sport</p> <p>The Department of Enterprise, Investment and Trade was renamed to the Department of Creative Industries, Tourism, Hospitality and Sport under the <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No.2) 2024</i>, effective 1 July 2024.</p> <p>Transfer of functions from the Department of Creative Industries, Tourism, Hospitality and Sport</p> <p>The following functions were transferred from the Department of Creative Industries, Tourism, Hospitality and Sport to the Premier's Department under the <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No.2) 2024</i>, effective 1 July 2024:</p> <ul style="list-style-type: none"> the Investment NSW Group the Office of the Chief Scientist and Engineer Group. <p>Transfer of functions to the Department of Creative Industries, Tourism, Hospitality and Sport</p> <p>The following function was transferred from the Premier's Department to the Department of Creative Industries, Tourism, Hospitality and Sport under the <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No.2) 2024</i>, effective 1 July 2024:</p> <ul style="list-style-type: none"> the part of the Partnership & Engagement branch responsible for the delivery of Australia Day events. <p>The following executive agencies changed from being related to the Department of Communities and Justice to being related to the Department of Creative Industries, Tourism, Hospitality and Sport under the <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No.2) 2024</i>, effective 1 July 2024:</p> <ul style="list-style-type: none"> Office of Sport Venues NSW Staff Agency, and Institute of Sport Staff Agency.
Department of Customer Service	<p>Transfer of functions to the Department of Customer Service</p> <p>The following functions are to be transferred to the Department of Customer Service under the <i>Administrative Arrangements (Administrative Changes – SafeWork NSW Agency) Order 2025</i>, effective 1 July 2025:</p> <ul style="list-style-type: none"> the myWorkZone Service Level 3 Operations & Support branch and the Shared Services & Customer Experience branch, from the Department of Communities and Justice the Shared Services branch, from Department of Planning, Housing and Infrastructure. <p>Transfers within the Customer Service entity group</p> <p>SafeWork NSW will be created as a new Public Service agency that is an executive agency related to the Department of Customer Service under the <i>Administrative Arrangements (Administrative Changes – SafeWork NSW Agency) Order 2025</i>, effective 1 July 2025.</p> <p>The following function is to be transferred from the Department of Customer Service to SafeWork NSW under the <i>Administrative Arrangements (Administrative Changes – SafeWork NSW Agency) Order 2025</i>, effective 1 July 2025:</p> <ul style="list-style-type: none"> the SafeWork NSW branch.
Department of Education	<p>Transfer of functions within the Education entity group</p> <p>The following transfer was made within the Education entity group, under the <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order 2025</i>, effective 24 January 2025:</p> <ul style="list-style-type: none"> the Non-Government School Regulatory unit is transferred from the Department of Education to the NSW Education Standards Authority Staff Agency. <p>Responsibility for overseeing the regulation for Home Schooling was transferred from the NSW Education Standards Authority to the Department of Education, in accordance with delegation instruments issued by the Deputy Premier and Minister for Education and Early Learning, effective 5 May 2025.</p>

Principal Department	Administrative Arrangements changes
Department of Planning, Housing and Infrastructure	<p>Transfer of functions from the Department of Planning, Housing and Infrastructure</p> <p>The following transfer was made from the Department of Planning, Housing and Infrastructure to the Infrastructure NSW Staff Agency under the <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No.3) 2024</i>, effective 7 August 2024:</p> <ul style="list-style-type: none"> Infrastructure Team within the Bradfield Development Authority branch. <p>The following transfer was made from the Department of Planning, Housing and Infrastructure to the Premier's Department under the <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No.2) 2025</i>, effective 17 March 2025:</p> <ul style="list-style-type: none"> NSW Reconstruction Authority staff agency. <p>The following transfer is to be made from the Department of Planning, Housing and Infrastructure to the Department of Customer Service under the <i>Administrative Arrangements (Administrative Changes – SafeWork NSW Agency) Order 2025</i>, effective 1 July 2025:</p> <ul style="list-style-type: none"> the Shared Services branch.
Department of Primary Industries and Regional Development	<p>Rename of the Department of Regional NSW to the Department of Primary Industries and Regional Development</p> <p>The Department of Regional NSW was renamed to the Department of Primary Industries and Regional Development, under the <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No.2) 2024</i>, effective 1 July 2024.</p> <p>Transfer of functions from the Department of Primary Industries and Regional Development</p> <p>The following function is to be transferred from the Department of Primary Industries and Regional Development to the Department Communities and Justice under the <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No.3) 2025</i>, effective 1 July 2025:</p> <ul style="list-style-type: none"> the Office for Regional Youth. <p>The following transfer was made from the Department of Primary Industries and Regional Development to the Premier's Department under the <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No.2) 2024</i>, effective 1 July 2024:</p> <ul style="list-style-type: none"> the Regional Coordination and Delivery branch.
Premier's Department	<p>Transfer of functions from the Premier's Department</p> <p>The following transfer was made from the Premier's Department to The Cabinet Office under the <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No.2) 2024</i>, effective 1 July 2024:</p> <ul style="list-style-type: none"> the Women NSW branch of the Community Engagement Group. <p>The following transfer was made from the Premier's Department to the Department of Creative Industries, Tourism, Hospitality and Sport under the <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No.2) 2024</i>, effective 1 July 2024:</p> <ul style="list-style-type: none"> the part of the Partnership & Engagement branch responsible for the delivery of the Australia Day events and programs. <p>Transfer of functions to the Premier's Department</p> <p>The following transfers were made to the Premier's Department from the Department of Creative Industries, Tourism, Hospitality and Sport under the <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No.2) 2024</i>, effective 1 July 2024:</p> <ul style="list-style-type: none"> the Investment NSW Group the Office of the Chief Scientist and Engineer Group. <p>The following transfer was made to the Premier's Department from the Department of Primary Industries and Regional Development under the <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No.2) 2024</i>, effective 1 July 2024:</p> <ul style="list-style-type: none"> the Regional Coordination and Delivery branch. <p>The following executive agency changed from being related to the Department of Planning, Housing and Infrastructure to being related to the Premier's Department under the <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No.2) 2025</i>, effective 17 March 2025:</p> <ul style="list-style-type: none"> NSW Reconstruction Authority Staff Agency.

Principal Department	Administrative Arrangements changes
	Abolition of the Public Service Commission and functions transferred to the Premier's Department The Public Service Commission was abolished and persons employed transferred to the Premier's Department under the <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No.2) 2024</i> , effective 1 July 2024.
The Cabinet Office	Transfer of functions to The Cabinet Office The following transfer was made from the Premier's Department to The Cabinet Office under the <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No.2) 2024</i> , effective 1 July 2024: <ul style="list-style-type: none"> the Women NSW branch of the Community Engagement Group.
Treasury	Transfer of functions to the Treasury entity group The following transfer was made to the Infrastructure NSW Staff Agency from the Department of Planning, Housing and Infrastructure under the <i>Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No.3) 2024</i> , effective 7 August 2024: <ul style="list-style-type: none"> the Infrastructure Team within the Bradfield Development Authority branch.

The 2025-26 Budget Papers have been prepared based on the new administrative arrangements announced since the 2024-25 Budget. 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 principal department for Budget Paper No. 4 presentation purposes
- where the entity receives funding distributions (previously referred to as cluster grants), the original principal department will have provided funding distributions from 1 July 2024 to the date of transfer and the new principal department will provide funding distributions from the date of transfer to 30 June 2025 and for 2025-26 onwards
- an in-year function transfer has been captured in both the former and the new principal department as follows:
 - from 1 July 2024 to the date of transfer, expenses will be reported in the former entity, with no data for 2025-26 reflected in the previous entity
 - from date of transfer to 30 June 2025, expenses will be reported in the new entity, with the full budget reported for 2025-26 in the new entity.

These administrative restructures have several accounting and financial consequences:

- principal department and agency 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 from the effective date per the administrative orders
- staff, programs, projects and applicable funding associated with function and agency transfers need to occur as per the effective date of the administrative orders.

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

Entity	Former Principal Department	New Principal Department
Office of Sport	Department of Communities and Justice	Department of Creative Industries, Tourism, Hospitality and Sport
Venues NSW (PNFC)	Department of Communities and Justice	Department of Creative Industries, Tourism, Hospitality and Sport
Institute of Sport Staff Agency (immaterial agency)	Department of Communities and Justice	Department of Creative Industries, Tourism, Hospitality and Sport
NSW Reconstruction Authority	Department of Planning, Housing and Infrastructure	Premier's Department

Future Administrative Arrangements

The Government has announced that a further administrative arrangement order will be released following the 2025-26 Budget. The change is anticipated to include:

- the establishment of a new entity NSW Motorways, effective from 1 July 2025. Subject to proclamation and vesting orders to be made after the release of the 2025-26 Budget, it is intended that certain assets related to public motorways will be transferred from Transport for NSW into NSW Motorways during 2025-26.

Principal department and agency appropriation arrangements

Lead ministers will receive an appropriation for their respective principal departments. Resources are then allocated through funding distributions to agencies (previously referred to as cluster grants) and the Secretary of each principal department.

Several smaller agencies classified as special or independent offices are funded through separate appropriations to maintain their independence from government.

The Legislature will receive a separate and direct appropriation under the *Appropriation (Parliament) Bill 2025*.

Entities for which Ministers receive an appropriation for the 2025-26 Budget^(a)

Appropriations – Departments

Department of Climate Change, Energy, the Environment and Water
Department of Communities and Justice
Department of Creative Industries, Tourism, Hospitality and Sport
Department of Customer Service
Department of Education
Department of Planning, Housing and Infrastructure
Department of Primary Industries and Regional Development
Department of Transport^(b)
Ministry of Health
Premier's Department
The Cabinet Office
Treasury^(c)

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

(a) Appropriations as set out in the *Appropriation Bill 2025*, including (i) Public Service Departments and (ii) various special offices. In these Appropriation Bills, it is the Ministers that receive the appropriations for the services of these entities.

(b) The Budget Papers generally refer to Transport for NSW which presents consolidated financials for Transport for NSW, the Department of Transport and the Transport Service of NSW. The Department of Transport receives the annual appropriation which is then on-granted to Transport for NSW and other Transport portfolio agencies.

(c) Includes appropriation to the Treasurer for the purposes of the activities or services administered on behalf of the State that are administered by 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 AASB 101 *Presentation of Financial Statements*.

The majority of agencies that have property leases with Property and Development 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.

Consistent with AASB 102 *Inventories*, where a delivering agency is not expected to be the long-term owner of a completed project, the expenditure is classified as inventory rather than property, plant and equipment. On completion of the project, the asset will be transferred to the intended owner. The NSW agencies currently delivering projects for other entities include Infrastructure NSW and Regional Growth NSW Development Corporation.

Agency Expense Summary

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

Financial Statements

Financial statements are presented for agencies that are material within the sector.

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 2025-26, while the forward estimates period refers to 2026-27, 2027-28 and 2028-29.

Expenditure figures cited throughout refer to expenditure in the 2025-26 Budget year unless otherwise indicated.

Expenditure figures cited as '2024-25 revised' refer to 2024-25 Budget updated full year projections as at 30 April 2025.

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 Treasury.