

**Children's Health Queensland
Hospital and Health Service**

ANNUAL REPORT

2024–2025

**DELIVERING
FOR QUEENSLAND**



**Queensland
Government**

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Open data

Information about consultancies, overseas travel and the Queensland language services policy is available at the Queensland Government Open Data website (data.qld.gov.au).



Interpreter service statement

The Queensland Government is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty understanding this report, contact us on 07 3068 3365 and we will arrange an interpreter to communicate the report to you.



Acknowledgment to Traditional Custodians

Children's Health Queensland pays respect to the Traditional Custodians of the lands on which we walk, talk, work and live.

We acknowledge and pay our respects to Aboriginal and Torres Strait Islander Elders past, present and emerging.

Recognition of Australian South Sea Islanders

Children's Health Queensland formally recognises the Australian South Sea Islanders as a distinct cultural group within our geographical boundaries. Children's Health Queensland is committed to fulfilling the *Queensland Government Recognition Statement for Australian South Sea Islander Community* to ensure that present and future generations of Australian South Sea Islanders have equality of opportunity to participate in and contribute to the economic, social, political and cultural life of the State.

Letter of compliance

1 September 2025

The Honourable Timothy Nicholls MP
Minister for Health and Ambulance Services
GPO Box 48
Brisbane QLD 4001

Dear Minister

I am pleased to submit for presentation to the Parliament the Annual Report 2024–2025 and financial statements for Children's Health Queensland Hospital and Health Service.

I certify that this annual report complies with:

- the prescribed requirements of the Financial Accountability Act 2009, and the *Financial and Performance Management Standard 2019*
- the detailed requirements set out in the Annual Report Requirements for *Queensland Government agencies*.

A checklist outlining the annual reporting requirements is provided at pages 56-57 of this annual report.

Yours sincerely

Heather Watson

Chair
Children's Health Queensland Hospital and Health Board

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Statement on Queensland Government objectives for the community

Section 10 of the *Financial Accountability Act 2009 (Qld)* requires that the Government prepares and tables in the Legislative Assembly a statement of the government's broad objectives for the community.

The objectives for the community reflect the Government's vision for Queensland. They are:

- Safety where you live
- Health services when you need them
- A better lifestyle through a stronger economy
- A plan for Queensland's future

Children's Health Queensland contributes to the Queensland Government's objectives for the community, in particular:

Health services when you need them

- **Backing our frontline services** through building our capacity and capability to deliver world-class paediatric care, research, advocacy and leadership.
- working with our statewide partners to ensure all Queensland children and young people can access world-class healthcare no matter where they live.

A plan for Queensland's future

- **Building Queensland** by developing integrated family and community hubs that will deliver health services differently and closer to home.
- Honouring and embracing our rich and ancient cultural history by co-designing our care for the next generations of Aboriginal and Torres Strait Islander children and providing culturally safe and appropriate healthcare environments.
- **Protecting the environment** through our commitment to becoming a leader in sustainable practices by delivering economic, environmental and social benefits for a healthier tomorrow.

Children's Health Queensland has an ethical, social and economic responsibility to ensure children receive the best possible start in life and flourish as part of a healthy, vibrant society. We are committed to improving the health and wellbeing of children and young people, particularly those from vulnerable communities and families, by delivering quality front-line services and building safe, caring and connected communities.

Message from the Board Chair and Chief Executive

In 2024, Children's Health Queensland celebrated a significant milestone: 10 years of care at the Queensland Children's Hospital.

In that time, the hospital provided more than 4.3 million episodes of care to 471,949 children and young people. This included more than 714,000 emergency presentations, 414,580 inpatient admissions, 2.4 million outpatient appointments, 166,000 surgical procedures and more than 1.8 million hours of intensive care. Thank you to the dedicated teams behind this impressive record of life-changing care, compassion and impact.

To cap off the celebrations, Newsweek ranked the Queensland Children's Hospital 10th in the world in its annual list of the best specialist paediatric hospitals. This recognition placed the Queensland Children's Hospital as the highest-ranked children's hospital in Australia and the Southern Hemisphere. This global recognition is testament to everyone who has worked tirelessly in the past decade to establish the Queensland Children's Hospital as a trusted provider of world-class paediatric care.

Beyond the hospital, our statewide services and community-based child and youth health, and mental health services continued to deliver vital care and support to thousands of children and families across Queensland. Expanding, enhancing and embedding our services to deliver the right care, when and where it's needed.

Children's Health Queensland prides itself on putting the needs of people, particularly children, first. This approach was formally recognised again this year when we retained Gold Certification for Excellence in Person-Centred Care with Planetree International. This has reaffirmed our position as a global leader in paediatric care, highlighting our dedication to people, partnerships, equity, and innovation.

As we looked back on our first decade of care, we also set a clear course for the future through the launch of our *Strategic Plan 2024–2028*. Building on our many achievements to date, the plan articulates four key priorities to help us empower current and future generations to reach their full potential and lead healthy lives. These are: fostering an **engaged workforce**, supporting **sustainable futures**, enhancing access through **networked care** and building **strong communities**. We also remain steadfast in our commitment to achieving health equity for Aboriginal and Torres Strait Islander people.

Engaged workforce

We know our people are our greatest asset. The impact we make is the result of our people's skills, dedication and commitment to excellence. We also know that when we care for our people, we deliver better outcomes for children and families.

Acknowledging this, we dedicated 2025 as the 'Year of our People', representing a promise to invest more in our staff, their wellbeing and mental health, their personal and professional growth, and their sense of connection to the work they do each day. By 30 June 2025, we had appointed two organisational psychologists to support the mental health and wellbeing of employees, delivered Queensland's first 'Festival of Care' for healthcare workers, established the Children's Health Queensland Pride employee network to help us build a safe, more inclusive environment for LGBTQIA+ employees and allies, and launched a co-design project with staff to improve performance, coaching and development processes.

Sustainable futures

Our new strategic plan affirms our focus on embracing integration, innovation and transformation to deliver responsive, high-value and sustainable care today – and into the future. This important work remained a priority in 2024-2025.

At the Queensland Children's Hospital, we expanded outpatient capacity with a new \$4.14 million surgical outpatients clinic, and reconfigured four inpatient wards to improve patient flow, access to care and deliver the best possible experience for families.

In partnership with the Children's Hospital Foundation, we launched 'Transport to Treatment', a culturally safe travel service supporting Aboriginal and Torres Strait Islander children and their families to access care at the Queensland Children's Hospital. The service aims to remove common access barriers, such as transport and parking costs, and, for families from regional, rural and remote areas, the navigation of unfamiliar urban environments.

Queensland Children's Hospital cardiac surgeons performed the first ROSS-PEARS procedure in the Southern Hemisphere in December 2024. The life-changing procedure, which uses a 3D-customised mesh to support the aortic root, removes the need for lifelong medications and allows children to be more active as they grow.

Our goal of becoming a leader in responsible healthcare practices that create economic, environmental and social benefits for a healthier and more sustainable future goes from strength to strength. In 2024–2025, the Queensland Children's Hospital became the first paediatric hospital in the country to implement a blister pack recycling scheme, enabling staff, patients and families to help divert plastic and foil pharmaceutical packaging from landfill.

We also launched our *Digital and Data Strategy 2024–2028* to guide our commitment to harnessing technology and data to enhance how we care for children, young people, and families.

Our researchers continue to drive innovation and translate new knowledge into better care. In 2024–25, Queensland Children's Hospital became the first paediatric hospital in the world to routinely use ultrasound to assess blood flow in children's brains before heart surgery. This simple, non-invasive screening is helping to reduce the risk of stroke in children. Hospitals globally are now adopting this approach as standard practice.

We also launched the world's first paediatric Bronchiectasis Action Plan, developed to support families in managing this complex respiratory condition at home. Early results show a 37 per cent reduction in flare-up-related doctor visits and a 203 per cent boost in annual flu vaccination rates.

Networked care

Children's Health Queensland remains committed to building an integrated statewide paediatric health system through effective partnerships that can deliver the right care, in the right place, at the right time. In 2024–25, we established Medicare Mental Health Kids (formerly Head to Health Kids) services for children 0–12 years in the Greater Brisbane area in partnership with local hospital and health services, Primary Health Networks and the Institute for Urban Indigenous Health (IUIH).

Outside Brisbane, we commenced a new insulin pump education service for Central Queensland children living with diabetes, and expanded surgical, outpatient and antenatal services to Townsville families of children with cleft palate conditions.

Children and their families from regional and remote areas of Queensland also now have increased access to care thanks to our new partnership with Little Wings, which provides free flights for children with ongoing medical appointments at the Queensland Children's Hospital.

Strong communities

Prevention, promotion and early intervention services to help Queensland children and young people thrive is an ongoing priority.

In 2025, we opened the Dakabin Youth Hub — a co-designed, Queensland-first \$10.8 million health and wellbeing centre at Dakabin State High School, created and delivered in partnership with students, families, Education Queensland and local service providers. By bringing together health, education and social services under one roof, the Hub aims to support mental wellbeing, reduce long-term health risks and empower young people to reach their full potential.

We expanded our Connecting2u, free text messaging service to support expectant Queensland parents, providing trusted, timely health advice and reminders during pregnancy (previously provided for parents of children aged from birth to five years). Tailored culturally appropriate messaging for parents and carers who identify as Aboriginal and/or Torres Strait Islander was also introduced.

Our long-running Indigenous Respiratory Outreach Care (IROC) program established new specialist outreach clinics in Aurukun and Napranum in Cape York Peninsula to provide vital care closer to home for local children and their families.

Children's Health Queensland's ECHO® Superhub continues to build capacity across the state launching three new statewide networks focused on problematic paediatric asthma, infant mental health, and childhood hearing. Through these valuable networks, frontline healthcare providers are empowered with real-time access to expert advice and best-practice support to deliver enhanced care, closer to home.

Overall, it's been another year of exceptional person-centred care, innovation and life-changing outcomes - locally, statewide and globally. As we reflect proudly on a decade of impact and plan for the next, we do so with gratitude — for the families who place their trust in us, the partners who walk alongside us, and our dedicated staff who power our mission every day. Thank you for helping us put children and young people first.

Heather Watson

Board Chair

Frank Tracey

Health Service
Chief Executive

SECTION 1: ABOUT US

1.1 Strategic direction

The *Children's Health Queensland Strategic Plan 2024-2028* describes our objectives, strategies and key performance indicators. It helps children, young people, families, staff, our community, partners and all other stakeholders understand our future direction.

Our four overarching strategic objectives are:

1. Engaged workforce

Deliver an inclusive environment where our people are valued, safe and empowered to make change.

2. Sustainable futures

Accelerate sustainable high-value care through integration, innovation and transformation.

3. Networked care

Advance the statewide paediatric and adolescent health system through partnership.

4. Strong communities

Support prevention, promotion and early intervention that helps keep children and young people healthy in their communities.

Our Health Service Chief Executive reports to the Board regularly against the organisation's achievements towards these strategic goals. Reporting includes the progress of principal activities and reporting risks, challenges and opportunities.

View the full strategic plan at:

www.childrens.health.qld.gov.au/about-us/strategies-and-reports/strategic-plan-2024-2028

Agency role and functions

Children's Health Queensland Hospital and Health Service (HHS) is an independent statutory body, governed by the Children's Health Queensland Hospital and Health Board, which is accountable to the community and the Queensland Minister for Health and Ambulance Services.

Established on 1 July 2012 under the *Queensland Government's Hospital and Health Boards Act 2011*, Children's Health Queensland is Queensland's only statewide specialist hospital and health service, responsible for the provision of public paediatric health services.

Under the *Hospital and Health Boards Act 2011*, the Queensland Department of Health is responsible for the overall management of the public health system including statewide planning and monitoring the performance of hospital and health services.

A formal Service Agreement is in place between the Department of Health and Children's Health Queensland that identifies the healthcare, teaching, research and other services that Children's Health Queensland will provide, funding arrangements for those services, and targets and performance indicators to ensure outputs and outcomes are achieved.

This Service Agreement is negotiated annually and available publicly at www.publications.qld.gov.au/dataset/children-s-health-queensland-hhs-service-agreements

1.2 Vision, purpose and values

Everything we do at Children's Health Queensland is guided by our vision, our purpose and our values.

Our vision

Children and young people first.

Our purpose

Empowering generations through trusted healthcare.

Our values

Respect

We listen to others.

Integrity

We do the right thing.

Care

We look after each other.

Imagination

We dream big.

Queensland Public Service values

Children's Health Queensland's core values of Respect, Integrity, Care and Imagination work in parallel with the five Queensland Public Service values:

Customers first

- Know your customers
- Deliver what matters
- Make decisions with empathy

Ideas into action

- Challenge the norm and suggest solutions
- Encourage and embrace new ideas
- Work across boundaries

Unleash potential

- Expect greatness
- Lead and set clear expectations
- Seek, provide and act on feedback

Be courageous

- Own your actions, successes and mistakes
- Take calculated risks
- Act with transparency

Empower people

- Lead, empower and trust
- Play to everyone's strengths
- Develop yourself and those around you.

1.3 Priorities

In 2024-2025, we continued to maintain a strong focus on establishing, strengthening, integrating and evolving our healthcare services in line with the four strategic priorities of the *Children's Health Queensland Strategic Plan 2024-2028*. These priorities are:

Engaged workforce

- Proactively provide an environment where physical health, psychological, and cultural safety are paramount.
- Invest in learning for leadership, digital capability and experience design through people, processes, and systems.
- Build a diverse and inclusive workforce which includes lived experience and peer workforces.
- Grow and retain the Aboriginal and Torres Strait Islander workforce.
- Develop and celebrate workforce talent.

Sustainable futures

- Leverage technology to streamline and simplify healthcare services.
- Advance clinical excellence through initiatives that drive transformative health outcomes.
- Actively eliminate racial discrimination and institutional racism.
- Lead internationally recognised research and knowledge translation.
- Deliver healthcare that promotes sustainable development of the planet.
- Integrate governance, operational processes, and systems to improve efficiency.

Networked care

- Evolve and deliver statewide models that transform continuity of care.
- Scale and spread statewide paediatric and adolescent capability through innovative workforce models, registered training pathways, and virtual opportunities.
- Generate opportunities for networked paediatric and adolescent services using population-based health service insights.

- Utilise Aboriginal and Torres Strait Islander specific population-based and social determinants data to drive equitable healthcare.
- Build services that enable the capability of children, adolescents, and young adults to transition beyond Children's Health Queensland's care.

Strong communities

- Increase equitable access to person-centred and inclusive healthcare for diverse communities.
- Develop and enhance partnerships with Aboriginal and Torres Strait Islander organisations.
- Enable healthcare decision-making and navigation through health literacy initiatives.
- Work in partnership with community to co-design and deliver integrated community-based services.
- Promote the social, emotional, and cultural wellbeing of all infants, children and young people who use Children's Health Queensland hospital, community and mental health services.

We continue to progress the operationalisation of the *Children's Health Queensland Children's Health and Wellbeing Services Plan 2018-2028*. The document outlines our five key health service directions for optimising the health and wellbeing of children and young people:

- Promote wellbeing and health equity
- Improve health service design and integration
- Evolve service models
- Deliver services closer to home
- Pursue innovation.

1.4 Aboriginal and Torres Strait Islander health

Children's Health Queensland is dedicated to delivering culturally safe care for Aboriginal and Torres Strait Islander children and young people. Our continued commitment involves co-designing services with Aboriginal and Torres Strait Islander communities to better meet the needs of the community.

By embedding culture and empowering the voices of Aboriginal and Torres Strait Islander consumers, workforce and communities, we ensure that the care we offer is culturally safe, respectful and upholds the cultural values of Aboriginal and Torres Strait Islander peoples.

Children's Health Queensland understands that culture must be embedded in the services we provide, not merely celebrated in the spaces where we provide it. By enhancing the quality of care, we contribute to the wellbeing and cultural continuity of the whole community.

Our efforts are not only focused on improving health outcomes, but we are committed to having positive impacts on the social determinants of health by supporting young people to be healthy in education, by supporting healthy and vibrant families and supporting young people to live free and safe lives.

Health Equity Strategy

The inaugural Children's Health Queensland Aboriginal and Torres Strait Islander Health Equity Strategy 2022-2025 was launched in July 2022 and followed closely by the release of the corresponding co-designed implementation plan in December 2022.

The 2024-2025 financial year marked the final year of this implementation cycle. A new Health Equity Strategy and Implementation Plan for 2025-2028 will be published in July 2025.

Key deliverables and achievements in 2024-2025 include:

- The launch of the Transport to Treatment minibus travel service at the Queensland Children's Hospital to improve access to healthcare for Aboriginal and Torres Strait Islander children and young people. The service, established in partnership with the Children's Hospital Foundation, offers a holistic solution to access challenges by removing common barriers, such as transport and parking costs, and, for families from regional, rural and remote areas, the navigation of unfamiliar urban environments.
- The launch of Children's Health Queensland Hospital and Health Service Aboriginal and Torres Strait Islander Health Workforce Action Plan 2024-2028 which will be used to boost recruitment, retention and leadership pathways for Aboriginal and Torres Strait Islander staff.
- Embedding a racism complaints pathway for Aboriginal and Torres Strait Islander staff to formalise and record incidences of racism experienced in the workplace.
- Expansion of the Open Doors clinics across additional specialty areas at the Queensland Children's Hospital, enhancing access to care for Aboriginal and Torres Strait Islander children and young people on long waitlists. The clinics are delivered in partnership with Institute for Urban Indigenous Health (IUIH).

Strategic partnerships

Children's Health Queensland continued to strengthen its partnership with IUIH in 2024-2025 as a part of our ongoing commitment to supporting culturally safe models of care, reduce system barriers and encourage shared care and collaboration of services for

Aboriginal and Torres Strait Islander children and young people in southeast Queensland. Together, we continued to deliver the Open Doors Program, providing specialist care to 203 Aboriginal and Torres Strait Islander children and young people. This included a multidisciplinary 'super clinic' (bringing together 23 clinical streams), three dedicated ENT clinics, an ophthalmology clinic and two operating theatre sessions. To ensure a culturally safe environment, the clinics are supported by Aboriginal and Torres Strait Islander health workers, and practical barriers, such as transport and appointment scheduling, are actively addressed.

Creating welcoming environments

Children's Health Queensland is committed to creating a welcoming healthcare environment for Aboriginal and Torres Strait Islander families through the inclusion of community artwork and design in our facilities.

During the reporting period, a number of significant mural installations were commissioned from Aboriginal and Torres Strait Islander artists across Queensland. These artworks were featured in various locations and facilities including: Ellen Barron Family Centre, Head to Health Kids Yarrabilba, Queensland Children's Hospital medical imaging, palliative care, and paediatric intensive care unit (by Casey Coolwell-Fisher), the rehabilitation unit (by Nathaniel Chapman), Caboolture Community Health Clinic (by Zartisha Davis), and the Dakabin Youth Hub (by Jennifer Kent).

Workforce diversity

In 2024-2025, 1.99 per cent of employees identified as Aboriginal and/or Torres Strait Islander, representing an increase from the previous year of 0.28 per cent.

Workforce diversity achievements in the reporting period included:

- Eleven successful placements from the Aboriginal and Torres Strait Islander talent pool.
- Two new Health Practitioner trainees appointed through Queensland Health's Ume Koola program, which supports the development and inclusion of Aboriginal and Torres Strait Islander peoples. The program provides a pathway for trainees to gain the qualifications needed to become Aboriginal and Torres Strait Islander Health Practitioners, strengthening culturally safe care within the health system.
- Eleven Aboriginal and Torres Strait Islander cadets (six allied health, four nursing and one legal) appointed.
- Two Aboriginal health workers, and an identified Assistant in Nursing (AIN) were appointed to the Deadly Ears team, increasing the number of Aboriginal and Torres Strait Islander staff to seven.
- In addition, the Deadly Ears team participated in community-based cultural capability yarns with local councils and Traditional Owners, supporting the ongoing development of a culturally capable workforce.
- In 2024-2025, 104 staff members completed a total of 228 hours of local cultural capability training across six communities.

Service delivery

In 2024-2025, Children's Health Queensland continued to strengthen and expand its service delivery programs for Aboriginal and Torres Strait Island children and young people:

- The Deadly Ears program delivered specialist outreach services to Aboriginal and Torres Strait Islander children in ten

regional and remote communities across Queensland. In addition to providing the established ENT clinical and surgical outreach services, the program delivered more integrated and comprehensive care by increasing access to specialist nurses, Aboriginal and Torres Strait Islander health workers, audiologists, speech pathologists and occupational therapists. In 2024-2025, Deadly Ears ENT specialists saw 556 children with 64 children receiving surgery through outreach services. A total of 563 clinical assessments were performed by a nurse or Aboriginal or Torres Strait Islander health practitioner. Additionally, 878 audiological assessments, 398 occupational therapy consultations and 380 speech pathology consultations were conducted through the program.

- Our Child and Youth Mental Health Service received 1,215 referrals for Aboriginal and Torres Strait Islander children and young people in 2024-2025, which resulted in 266 new service episodes commencing and 588 referrals to other services.
- The Forensic Child Youth Mental Health Service (CYMHS) provided critical mental health and wellbeing support to more than 116 vulnerable children and young people.
- The Indigenous Respiratory Outreach Care (IROC) service delivered 17 clinics in 16 communities across Queensland in 2024-25, provided care for 538 children and young people. New clinics were introduced in Aurukun and Napranum, reducing the need for families to travel to Weipa or Cairns for care. Referrals to IROC have increased significantly, attributed to active service promotion and health education delivered to community members and local health teams.
- Two dedicated Aboriginal and Torres Strait Islander staff in the Paediatric Palliative Care Service (PPCS) supported ten Aboriginal and Torres Strait Islander

patients and their families at the Queensland Children's Hospital. These staff members offer cultural advice across the broader PPCS team to ensure the delivery of culturally safe care aligned with families' cultural values and preferences. In addition to direct care, the team continued raising awareness through culturally specific resources—building on the previous “Kare Palls” initiative with the development of video resources focused on Sad News and Sorry Business for Aboriginal and Torres Strait Islander families. Statewide relationships have been strengthened with communities and hospital and health services across Queensland, including Woorabinda, Mt Morgan, Yeppoon, Bundaberg, Emerald, Longreach, Baralaba, Theodore, Springsure, and Biloela to enhance the delivery of culturally safe and appropriate palliative care.

- The MOB ED team in the Queensland Children's Hospital supported 1,953 patients seeking treatment in the Emergency department. MOB ED clinical nurses yarned with 1,213 kin to support discharge in community. This equates to 3,166 occasions of service supporting Mob, an increase of 290 occasions of service on the previous year. The MOB ED model of care continues to develop as patient need and demand increases.

1.5 Our hospital-based and community-based services

Children's Health Queensland is dedicated to caring for children and young people from across Queensland and northern New South Wales.

We deliver responsive, integrated, high-quality, person-centred care through a network of professionals, services and facilities, incorporating:

- the Queensland Children's Hospital
- Jacaranda Place
- Ellen Barron Family Centre
- Child and Youth Community Health Service
- Child and Youth Mental Health Service
- Yarrabilba Family and Community Place
- Dakabin Youth Hub
- statewide services and programs, including specialist outreach and telehealth services.

A recognised leader in paediatric healthcare, education and research, we deliver a full range of clinical services, tertiary and quaternary care, and health promotion programs.

Our services are provided at the Queensland Children's Hospital and from community sites in the Brisbane metropolitan area. We also partner with the 15 other hospital and health services in Queensland, as well as non-government agencies, charities and other healthcare providers, to ensure every child and young person, regardless of where they live, has access to the best-possible care, coordinated services and support.

Our proven commitment to people, partnerships, equity and innovation to provide the best care for Queensland children and young people is internationally recognised through our Gold Certification for Excellence in Person-Centred Care by Planetree International. We are the only paediatric healthcare provider in the world to currently hold Gold Certification and the only Planetree-certified organisation in Australia.

Our person-centred care approach considers children, young people and their families as true partners in their care, and places individual social, emotional, cultural, mental and physical care needs at the heart of their healthcare journey.

Queensland Children's Hospital

The Queensland Children's Hospital in South Brisbane is the major specialist paediatric hospital for Queensland and northern New South Wales and is a centre for teaching and research. Categorised as a level six service under the *Clinical Services Capability Framework for Public and Licensed Private Health Facilities v3.2, 2014*, the Queensland Children's Hospital is responsible for providing general paediatric health services to children and young people in the greater Brisbane metropolitan area, as well as tertiary-level care for the state's sickest and most seriously injured children.

As part of our model of service delivery, we work with Queensland and interstate partners to coordinate, when safe and appropriate to do so, the provision of care as close to home as possible for a child and their family.

The Queensland Children's Hospital also delivers statewide paediatric speciality services, covering areas including burns, rehabilitation, cardiology and cardiac surgery, cerebral palsy, cystic fibrosis, gastroenterology, oncology, neurology and haemophilia care.

As part of our commitment to sharing knowledge, Children's Health Queensland offers training in a broad range of clinical specialities and provides undergraduate, postgraduate and practitioner-level training in paediatrics.

The Queensland Children's Hospital also plays a significant role in clinical research, undertaking research programs with universities, industry and other academic partners.

Concessional parking

To help families with the cost of parking in the hospital precinct, we continue to exercise the Queensland Children's Hospital Concessional Parking Policy developed in alignment with the Queensland Health Patient and Carer Car Parking Concessions Standard. The policy offers discounted parking of \$12 per day or \$100 for a monthly pass (where applicable) to families who:

- are experiencing financial hardship, or attend the hospital two or more days per week, or
- hold a Health Care Card and visit the hospital for an inpatient admission or outpatient appointment.

During the 2024-2025 period, 52,892 concessional parking tickets at a value of \$12 rather than \$35 were issued. An average of 4,407 concessional parking tickets were issued to families per month, which represents a 19 per cent increase on the average of 3,702 from 2023-2024.

Child and Youth Community Health Service

Our Child and Youth Community Health Service unites a variety of primary health services and specialist statewide programs dedicated to helping children and their families lead healthier lives.

Multidisciplinary teams of doctors, child and youth health nurses, early intervention

clinicians, allied health professionals, Aboriginal and Torres Strait Islander health workers, multicultural health workers and other health professionals deliver a comprehensive range of health promotion, assessment, intervention and treatment services across the continuum of care.

We provide access to community care for almost 500,000 children across the Greater Brisbane area from more than 60 community clinics, but also support communities across the state via outreach and statewide services such as the Deadly Ears program, the Good Start program, the Healthy Hearing program, and the Ellen Barron Family Centre.

Child and Youth Mental Health Service

Our Child and Youth Mental Health Service provides comprehensive, collaborative, consumer and family-centred care for infants, children, young people and families in need of specialised mental health treatment.

We aim to improve the mental health and wellbeing of children and young people, and their carer networks using a recovery-focused model.

A high priority is placed on collaborative care, consultation, consumer choices and partnering with families and stakeholders to achieve optimal outcomes.

We provide acute and tertiary-level mental health services across the continuum for children and young people at a range of locations including inpatient care at the Queensland Children's Hospital, sub-acute inpatient care for young people at Jacaranda Place, day programs, community-based care at clinics across the greater Brisbane metropolitan area, and a range of specialist services (such as forensic, eating disorders, perinatal and infant mental health, and telepsychiatry services) across the state.

1.6 Strategic risks, opportunities and challenges

Operating environment

Children's Health Queensland's complex operating environment requires continuous response and adaptation while balancing our core delivery requirements. Our integrated approach to planning and performance is critical to supporting organisational effort towards delivering safe, equitable and person-centred care within the fiscal environment. The development of the *Children's Health Queensland Strategic Plan 2024-2028* involved a comprehensive internal and external analysis to inform Children's Health Queensland's strategic planning as well as operational planning and service delivery across the next financial year.

Health worker wellbeing, capacity, and capability

Sustaining workforce wellbeing, prevention and management of compassion fatigue, burnout and emotional exhaustion continue to dominate the global healthcare conversation. The growing presence of young healthcare professionals in the healthcare workforce has shifted workplace expectations, with increased emphasis on work-life balance and mental health transparency. This has presented the first step to creating a sustainable workforce from within our services.

However, rising service demand, staff absenteeism, and ongoing resource shortages continue to strain healthcare systems. These pressures are especially pronounced in regional and remote communities, where longstanding workforce gaps increase reliance on acute and tertiary services. Health professionals often face the dual challenge of engaging meaningfully with consumers while responding to urgent care needs, contributing to dissatisfaction, moral distress, and the continued concept of 'moral injury'. These issues affect both the retention of experienced staff and the attraction of new talent,

perpetuating workforce shortages and deepening inequities in access to care.

Meanwhile, rapidly evolving technologies and healthcare innovations demand a dynamic skill set. Continuous learning in digital health, data management, ethics, and regulation is now essential to ensure patient safety and quality care. The sector must build capability across all roles, to foster a resilient, adaptable workforce equipped for the future.

Children's Health Queensland will continue to prioritise health worker's wellbeing and engagement at work. *Our Employee Experience Plan 2024-2027, Staff Wellbeing and Mental Health Strategy, and Aboriginal and Torres Strait Islander Health Workforce Plan* outline our roadmap to addressing and supporting the needs of our people.

Responding to rising demand and access pressures

Capacity pressures are being experienced across the health system locally, nationally, and globally. At the Queensland Children's Hospital, this includes a sustained increase in emergency presentations and admissions involving a large volume of complex specialised cohorts. To meet these needs, Children's Health Queensland is focusing on ways to optimise and evolve how we design, plan and deliver care at the right time, by the right professional and in the right place. Partnerships with other health and human services across the state are critical in creating a sustainable network of paediatric care required by 2032 to meet population projections. To support this work, we have commenced the work to develop a new Clinical Services Plan that will be informed by a comprehensive evidence base that articulates our understanding of future population and health needs for our services and drives effective decision-making for an accessible and sustainable future.

Children's Health Queensland remains committed to optimising strategic performance to meet the evolving healthcare needs of children, young people, and their families. Balancing the delivery of acute and planned care with the capacity to respond to surge demands continues to be a complex challenge. To address this, there are a number of enabling programs of work under way to ensure Children's Health Queensland remains future-fit. This includes strengthening integrated reporting, governance and oversight of our change initiatives to support investment prioritisation and monitoring of performance.

As part of our commitment to sustainability and excellence, we are progressing several initiatives under the Children's Health Queensland Sustainable Care Program. These initiatives are designed to ensure we remain a high-performing hospital and health service that is responsive, resilient, and future-ready.

The success of the Queensland Health Hospital Rescue Plan is also critical in meeting the rising demand for paediatric acute care. This comprehensive plan includes investments in infrastructure expansion, workforce development, and improvements across emergency, surgical, and mental health services. Key actions include:

- construction of new hospitals and facilities,
- recruitment and growth of clinical and support staff,
- upgrades to diagnostic and medical technologies, and
- the delivery of culturally safe, community-based services across Queensland.

Together, these efforts will enhance access to high-quality paediatric care and strengthen our capability to serve communities across the state.

Integrating emerging technologies in healthcare

Technology adoption in healthcare is accelerating, with increasing adoption rates of

electronic medical records (EMRs), virtual care, big data, robotics, artificial intelligence (AI), and wearables enhancing diagnosis, treatment, and decision-making. Realising these benefits requires ongoing investment in infrastructure and workforce capability.

Global bodies, including the World Health Organization, stress the importance of ethical AI use, transparency, and strong regulation to ensure safe, equitable integration and maximise impact.

AI digital tools can improve efficiency and reduce system strain including predictive models for patient flow and diagnostics. However, challenges remain like data privacy, ethical concerns, and the need for specialised training. Poorly planned implementation risks widening health inequities, this is why Children's Health Queensland has a dedicated digital and data strategy and implementation plan to mitigate risks and maximise opportunities for the future.

Health equity across paediatric priority populations

Delivering world-class clinical care requires strong organisational capability and a deep commitment to intersectional, systemic, sustainable health equity reform. Central to this is recognising the profound impact of social, cultural, and economic determinants on health outcomes, particularly for paediatric priority populations and their families.

Children and young people who are of Aboriginal and/or Torres Strait Islander descent, have a disability, are from a multicultural background and/or are refugees are paediatric priority populations that continue to face significant health inequities in Australia. These disparities are driven by complex social determinants including poverty, housing instability, systemic racism, intergenerational trauma, limited access to culturally safe care contribute to poorer health outcomes over their lives. These groups often encounter fragmented services, cultural and language barriers, and systemic

challenges that contribute to poorer health outcomes physically and emotionally.

Children's Health Queensland is prioritising an intersectional approach to addressing health inequities while acknowledging the depth of growth required to improve equity in health outcomes and remove systemic discrimination and barriers to access to care from paediatric priority populations.

Planetary health and climate resilience

Climate change is increasingly recognised as a major health crisis, with rising temperatures, extreme weather events, and environmental degradation threatening human health and wellbeing. Vulnerable populations, including children and families, face heightened risks from displacement, resource scarcity, and disease. The Medical Journal of Australia–Lancet Countdown on health and climate change in Australia highlights the urgent need for sustainability in the healthcare sector, calling for systemic reform and global collaboration.

The *Children's Health Queensland's Environmental Sustainability Plan 2021–2024* has established a strong foundation for building a culture of environmental responsibility and innovation that will help deliver meaningful benefits for current and future generations. A new Climate Risk and Environmental Sustainability Targets Plan for Children's Health Queensland will be launched in 2025 to guide the next steps of this important journey.

Strategic opportunities and challenges

The opportunities and challenges outlined below reflect the trends Children's Health Queensland has identified for the medium to long term. Our ability to leverage future opportunities and mitigate risks is vital to achieving our strategic objectives.

Our opportunities

- Design, lead, and deliver trusted paediatric healthcare in partnership with children, young people, families, and communities across Queensland.
- Attract, support, and celebrate a diverse workforce by fostering an inclusive and empowering environment where all staff can thrive.
- Embrace innovation and digital technologies to reimagine how, where, and with whom paediatric care is delivered.
- Advance Aboriginal and Torres Strait Islander health equity by embedding self-determination, cultural safety, and community-led approaches in all aspects of care.

Our challenges

- **System and partner dependencies**
Children's Health Queensland's interdependence on the geographically dispersed paediatric network of care presents challenges for delivering effective and sustainable models of care.
- **Meeting consumer and community expectations**
Our ability to provide timely, person-centred care that meets the demand for emerging, and often high-cost, therapies.
- **Growing population, increased demand and complexity**
Population growth, increasing demand, changing disease profiles, and resource availability impacts our ability to deliver responsive paediatric healthcare services.

SECTION 2: GOVERNANCE

2.1 Our people

Board members

Heather Watson Chair

Commenced: 18/05/2018

Appointed Chair: 01/04/2024

Current term: 01/04/2024 to 31/03/2028

Heather brings more than 30 years' legal and governance experience with specialist expertise in the charitable and non-profit sectors. She has been a partner in legal practices in both regional and metropolitan contexts in Queensland. Her non-executive director and industry experience includes aged care, health and community services, infrastructure in transport and housing, and Indigenous communities.

William Fellowes Deputy Chair

Commenced: 18/05/2021

Appointed Deputy Chair: 26/09/2024

Current term: 01/04/2024 to 31/03/2026

Will is an experienced non-executive director with a finance, consulting and assurance background. After working in finance and commercial leadership roles globally and around Australia, Will is now based in Western Queensland with his young family and sits on numerous Boards and advisory committees with for-purpose organisations including RACQ, Opera Queensland, Royal Flying Doctor Service (Queensland) and Northern Australia Primary Health Limited. Will is a Chartered Accountant and a Graduate of the Australian Institute of Company Directors.

Cheryl Herbert

Commenced: 26/06/2015

Current term: 01/04/2024 to 31/03/2028

Cheryl has more than 20 years' experience as a chief executive officer and leader within not-for-profit and government health and

regulatory organisations. A trained midwife and nurse, she is a fellow of the Australian College of Nursing and the Australian Institute of Company Directors, a board member of Lives Lived Well Pty Ltd and a Director of Australian Regional and Remote Community Services Pty Ltd and UnitingCare Qld Pty Ltd. Cheryl was the founding Chief Executive Officer of the Health Quality and Complaints Commission from 2006 and served as the Chief Executive Officer of Anglicare (formerly St Luke's Nursing Service) for 10 years.

Inmaculada Beaumont

Commenced: 01/04/2024

Current term: 01/04/2024 to 31/03/2028

Inma is an experienced company director, qualified accountant and stakeholder engagement professional. She has senior executive experience in the health, research, education, energy and banking sectors. Inma is also involved with various not-for-profit organisations focusing on disability, gender equality and health.

Associate Professor Martin Byrne

Commenced: 10/06/2021

Current term: 01/04/2024 to 31/03/2028

Martin is a well-respected general practitioner, rural generalist and medical administrator with more than 20 years' experience working in rural and remote health settings in both the public and private sector. Martin is currently working as a rural GP in Nanango and as a rural generalist for Queensland Country Practice. He is an Associate Professor with Griffith University where he serves as Medical Educator and Examiner and holds senior roles with The University of Queensland and University of Southern Queensland. Martin has previously served in executive roles for South West and Darling Downs Hospital and Health Services.

Suzanne Cadigan*Commenced: 18/05/2019**Current term: 1/04/2022 to 31/03/2026*

Suzanne has vast experience as a registered nurse in both the public and private health sectors, working in a range of clinical, education and leadership roles in critical care, surgical, paediatric and emergency nursing. Suzanne currently serves on the Board of Karuna Hospice Services, an in-home palliative care service and represents Children's Health Queensland on the Ronald McDonald House Charities Board for South East Queensland. She is also a member of The Queensland Plan Ambassadors Council which fosters community engagement and shared responsibility for achieving the long-term vision of The Queensland Plan.

Professor Simon Denny*Commenced: 10/06/2021**Current term: 01/04/2024 to 31/03/2028*

Simon is a paediatrician, and adolescent and young adult physician currently working as Director of the Mater Young Adult Health Centre in South Brisbane. Prior to this, he served as an Associate Professor in the Department of Paediatrics, Child and Youth Health at the University of Auckland. Simon has worked with adolescents and young adults for more than 20 years in Australia, New Zealand and the United States, gaining expertise in a range of health conditions affecting adolescents and young adults including complex medical concerns, and drug, alcohol and mental health concerns. He is widely published internationally in the field of adolescent health and wellbeing.

Karina Hogan*Commenced: 18/05/2019**Current term: 1/04/2022 to 31/03/2026*

Karina is a proud Aboriginal and South Sea Islander woman, born in Mugandjin (Brisbane) with ancestral ties to Northern New South Wales. Raised in Logan, she grew up in a vibrant and diverse First Nations and multicultural community, shaping her lifelong commitment to social justice, culture and community-led change.

A mother of two and aunty and carer to many more, Karina works across media, governance, and community engagement, combining her background in journalism and international politics with a passion for real-world impact. Her career spans radio, podcasting, documentary making and public speaking, using storytelling to elevate voices too often excluded from national conversations. She is Chair of BlakDance, Australia's national body for First Nations contemporary dance. Karina was appointed as the Children's Health Queensland Board Chair's nominee to the Children's Hospital Foundation Queensland Board in February 2024.

Meredith Staib*Commenced: 18/05/2020**Current term: 1/04/2022 to 31/03/2026*

Meredith has more than 20 years' clinical and commercial experience in the public, private and community sectors. With a background in hospital and healthcare management, and global medical assistance, she is currently Chief Executive Officer of the Royal Flying Doctor Service (Queensland Section), one of the largest and most comprehensive aeromedical operations in the world. Meredith is a member of the Australian Institute of Company Directors and has previously held international director and board positions. She holds a Master's degree in health management and is an Adjunct Professor at the QUT School of Nursing and Allied Health.

Kara Cook*Commenced: 01/04/2024.**Ended: 02/02/2025*

Kara has been an advocate and voice for those who need it most throughout her career which has spanned law, politics and community services. She has extensive experience in community campaigning and advocacy, domestic violence, women's issues, law reform, policy, fundraising, communication and media. Kara's former roles include CEO of Basic Rights Qld and Working Women Queensland, Politician, Founder of Australia's first expert domestic violence law firm, Principal Lawyer at Women's Legal Service Queensland, and Vice President of Queensland Law Society.

Our committees

Health Service Executive Committee

Membership: Will Fellowes (Chair from 26 September 2024), Suzanne Cadigan, Heather Watson, Inma Beaumont (from 10 September 2024), Martin Byrne, Simon Denny, Cheryl Herbert (Chair and member to 10 September 2024) and Meredith Staib (from 7 November 2024)

The Health Service Executive Committee supports the Board with its governance responsibilities and makes recommendations to the Board by overseeing select strategic issues, strategic planning and stakeholder engagement strategies of the Hospital and Health Service. Additional responsibilities include supporting the Board with performance arrangements and succession planning for the Health Service Chief Executive and select workforce and culture strategies.

Safety and Quality Committee

Membership: Suzanne Cadigan (Chair), Cheryl Herbert, Martin Byrne, Simon Denny and Karina Hogan

The Safety and Quality Committee makes recommendations to the Board by overseeing quality and safety, including compliance with state and national standards, provision of person-centred care, service accreditation preparedness, periodic industry review outcomes and critical incidents of concern/interest to the Board and workplace health, safety and wellbeing practices.

Audit and Risk Committee

Membership: Inma Beaumont (Chair from 10 September 2024), Will Fellowes (Chair to 10 September 2024), Meredith Staib, Suzanne Cadigan and Kara Cook (to 2 February 2025)

The Audit and Risk Committee provides independent assurance and oversight to the Chief Executive and the Board on risk, internal control and compliance frameworks, and external accountability responsibilities as prescribed in the *Financial Accountability Act*

2009, Auditor-General Act 2009, Financial Accountability Regulation 2019 and Financial and Performance Management Standard 2019.

Finance and Performance Committee

Membership: Martin Byrne (Chair), Karina Hogan, Meredith Staib, Will Fellowes and Inma Beaumont

The Finance and Performance Committee supports and makes recommendations to the Board by overseeing the financial position, performance and resource planning strategies of the Hospital and Health Service in accordance with the *Financial Accountability Act 2009*.

Research Committee

Membership: Simon Denny (Chair), Heather Watson, Cheryl Herbert and Kara Cook (to 2 February 2025). External Members: Professor Craig Munns and Lyndsey Rice

The Research Committee provides oversight and recommends strategies to the Board in relation to building long-term collaborations in research and enhanced clinical service delivery founded on sustainable and trusting partnerships. The remit of the committee has also recently expanded to include oversight of strategy development in clinical and health service education and training.

Board appointments

There were no Board appointments in 2024-25.

Appointments ending

Kara Cook resigned on 2 February 2025.

Meetings

Board meetings were held at the Queensland Children's Hospital on the following dates:

4 July 2024	5 December 2024
1 August 2024	6 February 2025
21 August 2024 (extraordinary)	6 March 2025
5 September 2024	3 April 2025
3 October 2024	1 May 2025
7 November 2024	5 June 2025

Table 1: Children’s Health Queensland Hospital and Health Board					
Act or instrument	<i>Hospital and Health Boards Act 2011 and Hospital and Health Boards Regulation 2012.</i>				
Functions	<ul style="list-style-type: none"> • Oversee Children’s Health Queensland Hospital and Health Service as necessary, including control and accountability systems. • Provide input and final approval of executive development of organisational strategy and performance objectives, including agreeing the terms of the Service Agreement with the Chief Executive (Director-General) of Queensland Health. • Review, ratify and monitor systems of risk management and internal control, and legal compliance. • Monitor Health Service Chief Executive and senior executives’ performance (including appointment and termination decisions) and implementation of the strategic plan. • Approve and monitor the progress of minor capital expenditure, capital management, and acquisitions and divestitures. • Approve and monitor the annual budget and financial and other reporting. 				
Achievements	Children’s Health Queensland’s achievements are outlined in Section 3 of this annual report.				
Financial reporting	The general purpose financial statements of Children’s Health Queensland are prepared pursuant to Section 62 (1) of the <i>Financial Accountability Act 2009</i> , relevant sections of the <i>Financial and Performance Management Standard 2019</i> and other prescribed requirements.				
<p>*Remuneration: As approved by the Governor in Council, Board Member annual fees are \$75,000 for Board Chair, and \$40,000 for Deputy Chair and Members. Committee annual fees are \$4,000 per Committee for Committee Chair and \$3,000 per Committee for Committee Members.</p> <p>**Board total remuneration expenses are disclosed in Section G of the Notes to the Financial Statements.</p>					
Position	Name	Meetings/sessions attendance	Approved annual fee	Approved committee fees	Actual fees received**
Chair	Heather Watson	11 Board / 19 Committee	\$75,000	\$6,000	\$80,723
Deputy Chair (from 26 September 2024)	William Fellowes	10 Board / 11 Committee	\$40,000	\$10,000	\$49,791
Member	Cheryl Herbert	8 Board / 9 Committee	\$40,000	\$10,000	\$46,763
Member	Inmaculada Beaumont	10 Board / 7 Committee	\$40,000	\$10,000	\$48,909
Member	Associate Professor Martin Byrne	11 Board / 13 Committee	\$40,000	\$10,000	\$48,871
Member	Suzanne Cadigan	11 Board / 13 Committee	\$40,000	\$10,000	\$49,829
Member	Professor Simon Denny	11 Board / 9 Committee	\$40,000	\$10,000	\$49,829
Member	Karina Hogan	10 Board / 10 Committee	\$40,000	\$9,000	\$45,843
Member	Meredith Staib	10 Board / 9 Committee	\$40,000	\$9,000	\$47,740
Member (to 2 February 2025)	Kara Cook	5 Board / 4 Committee	\$40,000	\$6,000	\$28,211
No. scheduled meetings		11 Board / 22 Committee			
Total out of pocket expenses		\$2,630.78			

Executive Leadership Team

Adjunct Professor Frank Tracey

Health Service Chief Executive

Frank has over 40 years' experience working in health systems, including executive roles in large health organisations, tertiary education and the non-government sector. He has a clinical background in nursing and holds advanced qualifications in health management, leadership and governance. His extensive experience in health commissioning and service provision in clinical and community settings is complemented by strong executive management and leadership skills. Frank has an applied interest in population health planning and translational health research. While working in both government and non-government roles he has focused on delivering sustainable health strategies that serve the best interests of consumers, health professionals, the broader health system and the community.

Alan Fletcher

Executive Director Corporate Services and Chief Finance Officer

Alan is a highly experienced healthcare leader responsible for Children's Health Queensland's financial strategy, compliance, governance and sustainability, procurement, and supply chain services; the digital health and data strategy, cyber and information assurance, health intelligence and informatics, and technical ICT services teams; and the capital asset strategy and various facilities management portfolios for the organisation. He is a member of CPA Australia and has more than 27 years' financial leadership and management within the public health sector with extensive knowledge and experience in financial management, business leadership and corporate strategy.

Associate Professor Steven McTaggart

Executive Director Medical Services

Steven was appointed Executive Director Medical Services for Children's Health Queensland in May 2021, having previously

been the Divisional Director of Medicine since 2014. He has also worked as a paediatric nephrologist for 20 years and continues with some limited clinical practice providing care to children with kidney disease and their families. Steven is passionate about person-centred care, patient safety and quality, and clinical excellence, and is the Paediatric Medical Lead, Patient Safety and Quality at Clinical Excellence Queensland. His leadership is pivotal to supporting the workforce to deliver continuous improvement in patient care by embedding best practice and encouraging innovation in clinical care, education and research.

Adjunct Professor Callan Battley

Executive Director Nursing Services

Callan is a highly respected executive nurse leader who is passionate about the healthcare and wellbeing of children and young people with a particular interest in equity. He holds conjoint roles working in partnership with multiple universities to develop a paediatric and young person nursing workforce for the future and is actively involved as an investigator in a number of research projects that seek to improve outcomes and reduce harm to children and young people. He has a strong track record of leading transformation across multiple large health services that deliver improvement and high performance and is actively involved in children's health and wellbeing in rural and remote Queensland through volunteer work.

Associate Professor Leanne Johnston

Executive Director Allied Health

Leanne is an advanced clinical paediatric physiotherapist with 30 years' experience across clinical, research, management and education roles. Leanne is passionate about improving healthcare quality and reducing health inequality and has dedicated her career to providing high-quality person-centred care and support for children and their families. Leanne has held executive roles across multiple sectors, including Head of Physiotherapy for The University of

Queensland, and Allied Health and & Research Manager for the Cerebral Palsy League of Queensland. Leanne also served as a founding Board Member for Children's Health Queensland from 2012 to 2019.

Adrian Clutterbuck

Executive Director Strategy and Transformation

Adrian has a passion for developing people and teams and has been with Children's Health Queensland since 2017. Adrian has extensive experience leading and delivering strategy and transformation work across health systems internationally. As a director in a top tier management consultancy company, he has delivered operational efficiency and large-scale reconfiguration and transformation work across the United Kingdom and Australian health systems. A physiotherapist by training, Adrian has held clinical leadership roles in community services as well as business development roles in a multinational pharmaceutical company.

Angela Young

Executive Director Aboriginal and Torres Strait Islander Engagement

Angela is a Kullalli/Koa woman who brings a wealth of experience to Children's Health Queensland. Prior to her appointment, Angela was the General Manager, Policy and Research for the Queensland Aboriginal and Islander Health Council where she was a strong advocate for the health advancement of Aboriginal and Torres Strait Islander peoples. Angela has a passion for justice and holds a Bachelor of Laws. She commenced her career as a government lawyer and has held senior roles in the areas of Aboriginal and Torres Strait Islander wellbeing, employment and education. Angela has transformed Children's Health Queensland's approach to health equity and continues to lead innovative, culturally safe and engaging healthcare pathways to improve life outcomes for Aboriginal and Torres Strait Islander children and young people.

John Hammond ASM

Acting Executive Director People and Governance (Commenced 26/11/2024)

John is a highly experienced senior leader with significant operational and corporate system experience. Prior to joining Children's Health Queensland, John was an Assistant Commissioner with the Queensland Ambulance Service, with a career in that space spanning almost 24 years. John has led significant and high-profile projects and events ranging from delivering Ambulance services throughout the 2018 Commonwealth Games, through to transformational change in shifting the previously out-sourced operational services to the current in-house model. John leads with empathy and compassion with a focus on fairness and transparency, robust governance principles; and a passion for uplifting leadership capability. Within the People and Governance Portfolio, John leads functions that include human resources, recruitment, health safety and wellbeing, governance and enterprise risk management, legal services, and internal audit.

Damian Pointon

Acting Executive Director Communications, Culture and Engagement (Commenced 23/09/2024)

Damian has more than 20 years' experience working in media, corporate communications, marketing and public relations settings in the public and private sector in Australia and the UK. He has delivered successful strategic communications, crisis management, brand building and stakeholder engagement campaigns for government and non-government organisations, major public infrastructure projects, and key public health issues. Damian specialises in creative strategy and multi-platform storytelling that engages, influences, and inspires. Damian is responsible for Children's Health Queensland's internal and external communications, media, stakeholder engagement, organisational culture and leadership development, as well as the Children's Health Queensland Arts in Health program.

Brendan Hoad

Acting Executive Director Clinical Services
(Commenced 23/06/2025)

Brendan is a dedicated, long-standing member of the Children's Health Queensland leadership team, bringing more than two decades of experience in Queensland Health. An operating theatre nurse by background, Brendan has been part of the Queensland Children's Hospital since its inception and previously served at the Royal Children's Hospital. Throughout his career, Brendan has held several senior leadership roles within the Division of Surgery. Since 2019, he has served as the Divisional Director for Surgery, where he has played a pivotal role in advancing safe, high-quality surgical care for children and young people across Queensland. Brendan is widely recognised for his deep understanding of clinical systems and processes, which are essential to the delivery of safe, effective, and integrated paediatric hospital and community-based services.

Naomi Hebson

Executive Director People and Governance
(Until 26/11/2024)

Naomi is an experienced health care leader with a clinical background in nursing and advanced qualifications in health management and business. Naomi's executive career spans across health policy, strategy and reform agendas and commissioning. Naomi has led extensive commissioning reforms agendas across Queensland delivering system wide reform and performance improvement programs. Naomi's passion is working to ensure the healthcare sector is enabled to deliver sustainable, person-centred care.

Dominic Tait

Executive Director Clinical Services
(Until 20/06/2025)

Dominic is a highly experienced healthcare leader and manager who is passionate about providing high-quality paediatric health services in partnership with patients and families. He has worked at the Queensland Children's Hospital in roles including Executive

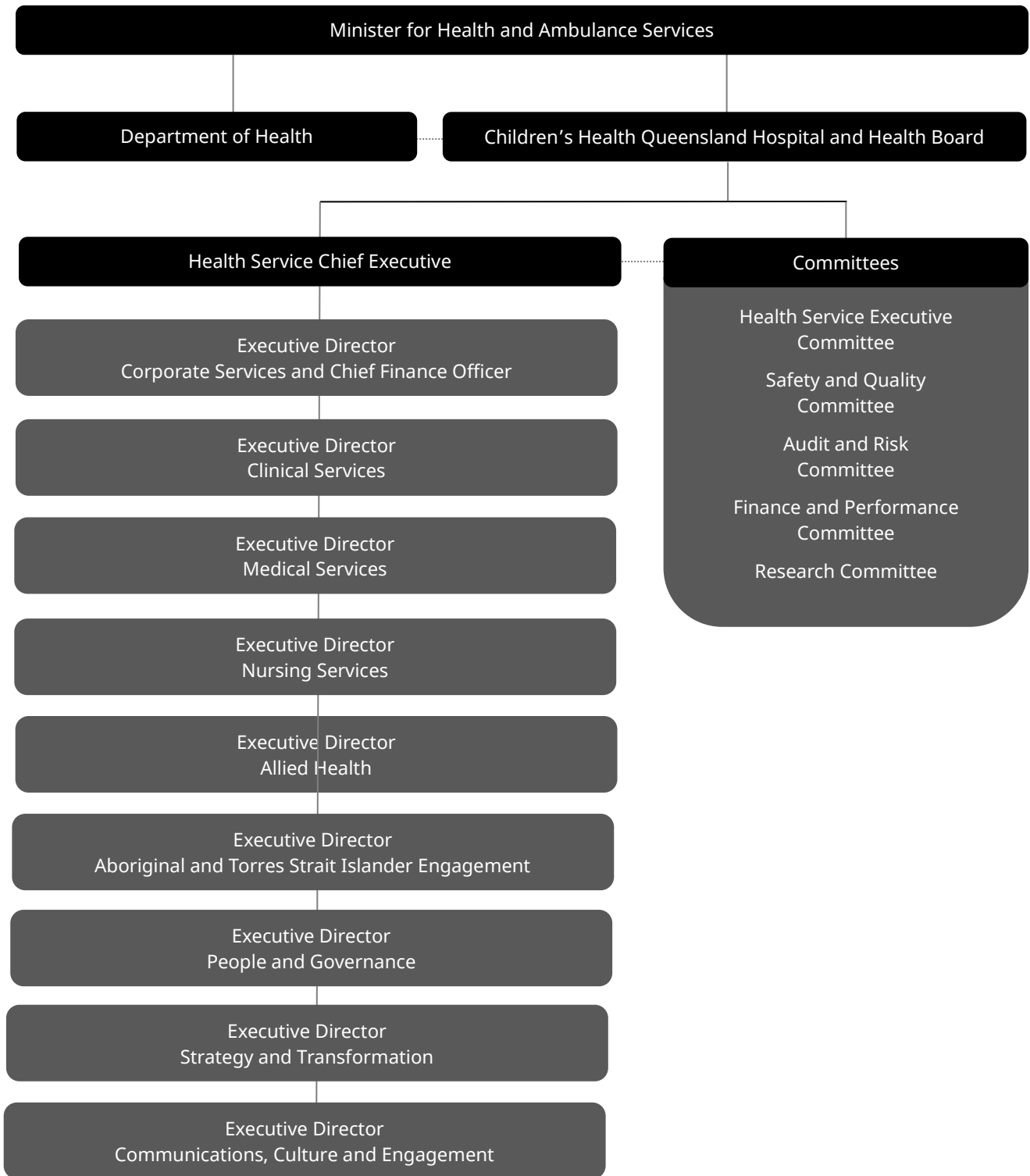
Director Clinical Services, Divisional Director of Clinical Support and operations manager across multiple divisions including critical care, surgery and clinical support. Dominic holds a Bachelor of Physiotherapy, a Master of Business Administration and has worked in clinical paediatric roles both in Australia and the United Kingdom since 2001.

Belinda Taylor

Executive Director Communications, Culture and Engagement (Until 15/08/2024)

Belinda is a highly experienced communications, corporate and public affairs professional with a career spanning more than 20 years and across a range of industries. She has delivered strategic communications, media and stakeholder engagement programs across private sector and publicly listed companies, political offices, government agencies and consultancies. She specialises in developing strategy that creates value-based stakeholder partnerships and multi-channelled communication programs.

Organisational structure



Workforce profile

Children's Health Queensland recognises that our people are our greatest asset. Ongoing investment in our workforce is vital to ensure we can continue to deliver on our core business of providing high-quality care for patients and families. The goal is to provide a professional, collaborative and supportive work environment that meets the needs and developmental expectations of current and prospective staff.

Table 2: Total staffing and employment status

Total staffing	Headcount	
Headcount	5,744	
Paid FTE	4,724.94	
Employment status	Headcount	%
Full-time		53.99
Part-time		42.20
Casual		3.81

Table 3: Occupation and appointment by FTE

Occupation type	FTE	%
Corporate		5.61
Frontline and Frontline Support		94.39
Employment status	FTE	%
Permanent		71.02
Temporary		26.60
Casual		2.13
Contract		0.25

Table 4: Gender*

	Headcount	%
Woman	4,657	81.08
Man	1,077	18.75
Non-binary	10	0.17

Table 5: Diversity target group data

	Headcount	%
Women	4,657	81.08
Aboriginal and Torres Strait Islander peoples	117	2.04
People with disability	117	2.04
Culturally and linguistically diverse (speak a language at home other than English [^])	606	10.55

[^] This includes Aboriginal and Torres Strait Islander languages or Australian South Sea Islander languages spoken at home

Table 6: Target group data for women in leadership roles*

	Headcount	%
Senior officers (classified and s122 equivalent combined)	9	64.29
Senior executive service and Chief Executives (classified and s122 equivalent combined)	4	30.77

* Women in leadership are defined as those in classified roles or on s122 or s155 contracts.

Organisational changes

Ward reconfiguration

The Queensland Children's Hospital ward reconfiguration changes were completed in May and June 2025. This is a key initiative of our Kids First service improvement program. Major benefits included:

- a new General Paediatric Medical Short-Stay Ward
- a new specialised infant model of care
- consolidation and creation of dedicated home wards for specialties including general paediatrics, paediatric surgery and ENT, and respiratory specialties.

Facilities management (FM) transition

Previously contracted soft FM services including cleaning, waste, linen, portage and food services were brought in-house effective 1 December 2024. The transition saw over 280 Medirest and Omega employees

transitioned to employment with Children's Health Queensland.

Executive Leadership Team

Appointments

- Damian Pointon appointed Acting Executive Director Communications, Culture and Engagement on 23 September 2024.
- John Hammond appointed Acting Executive Director People and Governance on 26 November 2024.

Resignations

- Belinda Taylor, Executive Director Communications, Culture and Engagement resigned on 15 August 2024.
- Naomi Hebson, Executive Director People and Governance resigned on 6 April 2025.
- Dominic Tait, Executive Director Clinical Services resigned on 20 June 2025.

Strategic workforce planning and performance

Workforce planning, attraction and retention

We are committed to ensuring Children's Health Queensland's workforce is capable, committed and supported, and ensuring we provide the best possible healthcare services to Queensland children and their families.

Industrial relations

Children's Health Queensland continues to operate within an industrial framework of consultative forums.

The framework includes:

- Children's Health Queensland Union Consultative Forum
- Nursing Consultative Forum
- Health Practitioner Local Consultative Forum
- Corporate and Administration Services Local Consultative Forum.

No enterprise bargaining agreements were certified by the Queensland Industrial Relations Commission during the 2024-2025 financial year. Nurses and Midwives Certified Agreement (NMEB11) expired 31 March 2025 with negotiations for NMEB12 commencing in January 2025.

Flexible working arrangements

Children's Health Queensland supports and implements Queensland Health's work-life balance policy by offering flexible working arrangements to help staff balance work and other responsibilities. In 2024-2025, 2,544 people (59 per cent of our permanent workforce) were employed on a permanent part-time basis and 12 staff participated in purchased leave arrangements. The purchased leave allowance of one to six weeks contributes to work-life balance by enabling staff to purchase leave in addition to their standard recreational leave entitlements.

Leadership development and performance

Children's Health Queensland is committed to supporting employees and accelerating their growth to equip them for their future career aspirations and opportunities.

We are focused on creating a culture where all staff are valued, engaged and committed to delivering results and exceeding expectations. Through our values of respect, integrity, care and imagination we strive to create an understanding of what performance and leadership excellence looks like across every level of our organisation and to build a leadership mindset that is nurtured by our colleagues, our leaders and ourselves.

Children's Health Queensland's 'Growing Great Leaders' program empowers leaders to perform at their best and provide critical support and enablement to teams, services, patients and their families. It supports leaders to build the skills and capabilities identified in the Children's Health Queensland Leadership Excellence Framework, and to address

priorities identified in the 2024 Working for Queensland survey.

In 2024-2025, Children's Health Queensland continued to partner with Queensland Health's Centre for Leadership Excellence to deliver capability development opportunities and resources for leaders at all levels. This gave 665 employees an opportunity to attend leadership programs to enhance leadership and management capabilities.

Working for Queensland survey

The annual Working for Queensland survey provides a valuable opportunity for our people to provide feedback to the organisation so we can better understand their experience and continue to collaboratively build a workforce culture that supports them to deliver life-changing care for children and young people.

The 2024 survey was conducted from 26 August to 22 September 2024 and 19 per cent (1005 employees) of our workforce participated in the survey.

Our workforce consistently reports high levels of agency engagement, with a 68 per cent positive rating in 2024. Results also highlight that our workforce continues to have pride and confidence in their work, with 87 per cent stating that they would recommend the services and/or care provided by Children's Health Queensland to a family member or friend.

Early retirement, redundancy, and retrenchment

No early retirement, redundancy or retrenchment packages were paid during 2024-2025.

Health, safety & wellbeing

Our safety performance

Children's Health Queensland has a genuine commitment to ensuring the safety of staff, volunteers, patients and their families. The *Children's Health Queensland Work Health and Safety Plan 2021-2024* guides our work health and safety (WHS) systems to ensure they are maintained in line with Queensland Health's Health Safety and Wellbeing policy and standards.

A continuous improvement approach allows our organisation to review our safety practices by focusing on relevance, effectiveness, and efficiency. It also ensures high-risk WHS issues are identified early with appropriate control measures implemented to keep our people safe.

This important work involves:

- Governance and consultation specific to the psychosocial hazards risk assessment and associated framework and the deployment of psychosocial specific controls such as the Staff Wellbeing Psychologist Service.
- Robust governance and operational support specific to our Respiratory Protection Program.
- An updated consultative framework specific to Children's Health Queensland Health & Safety Representative (HSR) obligations with redefined work groups and an uplift of HSR representations.

Integrated WHS management systems, risk management and frameworks specific to:

- Improved injury management and rehabilitation case management software integration.
- Integration of partnerships with external parties to support wellbeing initiatives.
- Creation and deployment of the Children's Health Queensland Staff Wellbeing and Mental Health Strategy.

- Re-designed reporting specific to due diligence requirements to assist 'officers' under the Work Health and Safety Act 2011
- Redesigned consultation committees specific to shared duties inclusive of the WHS Sub Committee that bridges accountability between our hard facilities management contract and Children's Health Queensland as the governing Person Conducting a Business or Undertaking (PCBU).
- Continuous review of Board, Union Consultative Forum and quarterly reporting metrics.
- Continued focus on education and WHS responsibilities towards PCBU and officer obligations and further understanding of due diligence requirements.
- A six per cent increase in actual injury frequency rate (inclusive of first aid reporting) and an 18 per cent decrease in severity frequency rate. This severity rate reflects the number of lost workdays experienced per 100 workers for premium-impacting claims (journey-related claims are excluded).
- An average 127 claims per month (WorkCover, income protection and health management) equating to approximately 42 claims per one FTE injury management advisor. A rolling average over the previous 12 months specific to statutory claims equates to approx. 50 claims per month which is approximately 10 per cent higher than a predicted average of 45 claims. This increase has been most noticeable since March 2025 where the 3-month average increased to 58 claims per month. This is in alignment with an increase in both journey-related claims and psychosocial reporting.

For employees who require support due to injury (statutory and non-statutory based), our injury management team regularly meets with WorkCover Queensland and insurance providers to develop strategies to foster positive return-to-work outcomes. Our key performance indicators specific to injury rehabilitation and return to work programs for 2024-2025 include:

- A 44 per cent increase in our total recordable injury frequency rate from 5.27 in 2023-2024 to 7.59 in 2024-2025. This increase can be directly attributed to a substantial increase in journey related claims and psychosocial reporting.

2.2 Our risk management

Children's Health Queensland acknowledges that risk is inherent within a healthcare environment and actively promotes a risk-conscious culture to enable informed decision making, drive organisational efficiency and support realisation of vision and purpose through achievement of strategic and operational objectives. We are committed to delivering an integrated and accountable approach to risk management with activities incorporated into strategic planning, operations and governance monitoring, assurance and reporting.

Children's Health Queensland has an established enterprise risk management (ERM) framework that is self-assessed on an annual basis to validate maturity status. The framework is aligned to *International Standard 31000:2018*, applies a principles-based approach, defines roles and responsibilities, documents the process for risk management and is underpinned by a centralised electronic information system, RiskMan that is used to document, manage and monitor risks. ERM performance is managed by the Governance Unit and oversighted by the Children's Health Queensland Board via the Audit and Risk Committee and Executive Leadership Team.

Throughout 2024-2025 Children's Health Queensland has faced a changing risk environment influenced by emerging threats and an evolving regulatory landscape. Good governance and diligent application of risk management processes have been crucial in navigating these exposures, ensuring resilience and safeguarding our assets, operations and reputation.

Opportunities to further enhance risk management maturity and integrate with other governance functions across the organisation has been embedded into forward planning.

Ministerial Direction

The Hospital and Health Boards Act 2011 requires annual reports to state any direction given by the Minister to the HHS during the financial year and the action taken by the HHS as a result of the direction. During the 2024-2025 financial year, there has been no Ministerial Directions issued to Children's Health Queensland.

Accountability

The Audit and Risk Committee met on five occasions in 2024-2025. Activities included:

- Reviewing and approving the Children's Health Queensland 2023-2024 Financial Statements.
- Noting the Queensland Audit Office's client service strategy, interim and final management letters, and reviewing the Executive's response to findings and recommendations.
- Providing functional oversight on the performance of the internal audit function, including:
 - Reviewing and endorsing the three-year strategic and annual internal audit plan and the Internal Audit Charter.
 - Delivery of the annual internal audit plan and annual quality self-assessment of performance.
 - Reviewing and noting internal audit reports, with recommendations and management responses.
 - Reviewing and noting quarterly internal audit status reports, including the follow up on implementation of internal audit recommendations.
 - Overseeing performance of risk and compliance functions.

- Reviewing and endorsing strategic risks, risk appetite, quarterly and annual risk and compliance reports.
- Reviewing and endorsing the fraud and corruption control plan and reporting.

Compliance management

Children's Health Queensland has adopted a systematic, risk-based and integrated approach to compliance management to optimise performance whilst preventing financial loss, reputational damage and harm associated with non-compliance.

Children's Health Queensland has an established compliance management framework that is self-assessed on an annual basis to validate maturity status. The framework is aligned to International Standard 37301:2021, applies a principles-based approach, defines roles and responsibilities, documents the process for compliance management and is underpinned by a centralised electronic information system that is used to document, manage and monitor compliance obligations. Performance of the compliance management framework is managed by the Governance Unit and oversighted by the Children's Health Queensland Board via the Audit and Risk Committee and Executive Leadership Team.

Throughout 2024-2025 Children's Health Queensland has faced a dynamic shift in its regulatory landscape. Evolving laws in response to technological advancements, data privacy risks, cybersecurity risks and infrastructure resilience has resulted in a more complex and intersected compliance environment. Good governance and diligent application of risk-based compliance management processes have been crucial in navigating these shifts, ensuring resilience and safeguarding our assets, operations and reputation.

Opportunities to further enhance compliance management maturity and integrate with other governance functions across

the organisation has been embedded into forward planning.

Internal audit

By the nature of its organisational independence, internal audit is positioned to provide objective assurance and advice to the Executive Leadership Team and Board (via the Audit and Risk Committee) regarding the efficiency and effectiveness of internal control systems and the alignment of business and operational performance with the organisation's values and strategy. Internal audit consults widely and applies a risk-based approach to the development and delivery of the annual internal audit plan.

Six engagements were completed in accordance with our annual internal audit plan across the 2024-2025 financial year. Engagements were delivered as internal audits, maturity assessments and assurance reviews encompassing clinical, corporate, fraud risk, information security and ICT function governance. In addition to strengthening the organisation's risk management, assurance and governance processes, insights from internal audits provided opportunity to inform decision making, adapt for emerging risks response, readiness for business process change and foster continuous improvement across the organisation. Quarterly internal audit status reports are provided to the Executive Leadership Team and the Audit and Risk Committee that set out the status delivery of the annual plan, engagement outcomes, monitor the implementation of recommendations, and any other emerging risks or business process changes. The annual internal audit report inclusive of quality assurance assessment results and the Internal Audit Charter is provided annually to the Audit and Risk Committee and the Board.

External scrutiny

The following external reviews were conducted in 2024-2025:

- The Queensland Audit Office (QAO) tabled reports with the 2024-2025 results of six financial audits, five performance audits, two insights reports, one audit brief and the 2025 status of the Auditor-General's recommendations. The annual self-assessment for status of Auditor-General performance audit recommendations was completed and the results were submitted to QAO in June 2025.

Information systems and record-keeping

Children's Health Queensland's Health Information Services is dedicated to continuous service improvement to ensure availability and timely access to critical information to support the provision of high-quality and safe patient care.

Our internal Health Information Liaison team was actively involved in improving clinical documentation and clinical coding quality to accurately reflect the care provided to our patients. This included empowering our people through knowledge, education, and use of technology to support improved coding quality and productivity. The team has audited 837 admissions and incorporated the findings into coding quality and clinicians' education sessions. Our clinical coding service coded approximately 49,260 admissions in 2024-2025.

Our Health Information Access team processed 7,322 requests for information in accordance with the *Hospital and Health Boards Act 2011*, the *Right to Information Act 2009* and the *Information Privacy Act 2009* resulting in 629,597 pages being reviewed and processed for release. This was an increase of 57,236 pages in comparison to the previous financial year.

Our Health Information Services Scanning Unit continues to support the integrated electronic medical record (ieMR) through the scanning of

paper documentation or the uploading of digitally created documents. The service has a focus on decreasing the need to scan paper documents through promoting direct data entry into ieMR, clinical forms rationalisation and by creating documents digitally and importing those into the ieMR.

Children's Health Queensland is fully compliant with all mandatory standards recently revised by Queensland State Archives (QSA) and remains committed to maintaining this compliance. Recordkeeping roles are clearly defined, supported by staff training and oversight from the Records Governance Officer and Medical Records Manager.

Children's Health Queensland has assessed its digital maturity using the Queensland Government Enterprise Architecture (QGEA) Recordkeeping Maturity Assessment Tool and maintains strong controls over both digital and physical records. The organisation continues to advance digital recordkeeping through ieMR and paper reduction initiatives. Systems are secure, sustainable, and aligned with legislative obligations, including mandatory data breach reporting under the Information Privacy and Other Legislation Amendment Act 2023. Public records are retained appropriately, with disposal programs for clinical and non-clinical records in development.

Information security attestation

During the 2024-2025 financial year, Children's Health Queensland Hospital and Health Service has an informed opinion that information security risks were actively managed and assessed against the organisation's risk appetite with appropriate assurance activities undertaken in line with the requirements of the *Queensland Government Enterprise Architecture (QGEA) Information and cyber security policy (IS18)*.

Public Sector Ethics Act 1994

Children's Health Queensland is dedicated to upholding the values and standards of conduct outlined in the Code of Conduct for the Queensland Public Service which reflects the ethics principles and values set out in the *Public Sector Ethics Act 1994* (Qld).

Children's Health Queensland identifies the Working Ethically Course (Code of Conduct, Public Interest Disclosure and Fraud Control Awareness) as one of 13 mandatory corporate training requirements for all staff, in accordance with the Department of Health's G6 Mandatory Training Policy.

All new employees must complete the mandatory Working Ethically course within one month of commencement, and yearly thereafter, through Children's Health Queensland's learning management system, TEACHQ.

External service providers such as contractors, students, volunteers and other non-government organisations deliver a number of essential services to, or for, Children's Health Queensland patients, families and service areas. A number of the providers engaged in front-line services are obliged to complete the Working Ethically course as it is important that they also uphold the values and standards of conduct expected of the Queensland public service, in providing services to and for Children's Health Queensland. This annual training is available through the Department of Health's learning management system iLearn, or via other local systems.

Human rights

The Human Rights Act 2019 (HRA) positively influences Children's Health Queensland ability to deliver person-centred care and the best possible outcomes for children, young people and their families.

Children's Health Queensland is committed to respecting, protecting and promoting the human rights of patients, families, visitors and staff. Acting and making decisions in a way

that is compatible with human rights, and gives proper consideration to human rights, is obligatory across the organisation. To support Children's Health Queensland's commitment, all new and reviewed governance documents undergo assessment to determine capability with the HRA with justified limitations alerted to within respective doctrine; patient and staff complaints undergo human rights assessment with any determined limitations appropriately addressed; and staff are strongly encouraged to complete human rights training offered by Queensland Health and the Queensland Human Rights Commission.

Throughout 2024-2025 objects of the HRA were furthered by:

- Applying learnings from human-rights complaints to provide targeted training where gaps in understanding were identified.
- Delivering one (1) organisational and five (5) professional cohort educational videos to demonstrate how human rights may be engaged within the healthcare setting.
- Developing and implementing an interactive Human Rights Assessment Tool to enhance the supports provided to staff when undertaking human rights compatibility assessments for governance documents, and actions and decisions.
- Delivering bespoke training to key stakeholders across the organisation regarding the application of human rights in decision making.

Children's Health Queensland continues to build its organisational understanding, capability and culture in human rights with improvement activities embedded into forward planning.

Table 7 (below) lists the human rights complaints and outcomes assessed in 2024-2025. Children's Health Queensland received an additional complaint the Australian Human Rights Commission in 2024-2025, however this was subsequently withdrawn.

Table 7: Summary of complaints with potential human rights limitations 2024-2025			
Total number of complaints	Complaints received with potential human rights limitations	Rights engaged	Outcomes
569	48	<ul style="list-style-type: none"> • Recognition and equality before the law (S15) • Protection from torture and cruel, inhuman or degrading treatment (S17) • Freedom of movement (S19) • Freedom of expression (S21) • Property rights (S24) • Privacy and reputation (S25) • Protection of families and children (S26) • Cultural rights – Aboriginal peoples and Torres Strait Islander peoples (S28) • Health services (S37) 	<ul style="list-style-type: none"> • 29 complaints reviewed were assessed as having no limitation on human rights and resolved by way of explanation, apology, and/or quality improvement. • 10 complaints reviewed were assessed as justified/lawful limitations on human rights and resolved by way of explanation, apology and/or quality improvement. • 7 complaints reviewed were assessed as unlawful/unjustified limitation and resolved by way of explanation, apology and/or quality improvement. • 2 complaints are pending assessment.

Confidential information

Section 160 of the *Hospital and Health Boards Act 2011* requires annual reports to state the nature and purpose of any confidential information disclosed in the public interest during the financial year. During 2024-2025, no disclosures were authorised under this provision.

SECTION 3: PERFORMANCE








3.1 Non-financial performance

Strategic outcomes and achievements 2024-2025

Achievements against the priorities and objectives in the Children’s Health Queensland Strategic Plan 2024-2028 are outlined below.

Strategic objective: Engaged workforce

Deliver an inclusive environment where our people are valued, safe and empowered to make change.

	<p>Children’s Health Queensland employee’s achievements were recognised at our annual Excellence Awards in 2024. The awards align with our organisational values and strategic priorities and celebrate individuals and teams who have contributed significantly to our vision of leading life-changing care for children and young people.</p>
	<p>Developed and launched the <i>Aboriginal and Torres Strait Islander Health Workforce Action Plan 2024–2028</i>, which focuses on building and supporting a skilled, responsive workforce. Aligned with Children’s Health Queensland’s <i>Aboriginal and Torres Strait Islander Health Equity Strategy</i>, the plan reaffirms our commitment to becoming an employer of choice.</p>
	<p>Two organisational psychologists were appointed to support the mental health and wellbeing of employees as part of the Children’s Health Queensland Mental Health Workforce Project.</p>
	<p>Delivered Queensland’s first Festival of Care for healthcare workers - a six-week creative arts program focused on building connection, strengthening culture, and supporting employee mental health and wellbeing. The program, delivered by the Children’s Health Queensland Arts in Health Program and its cultural and academic partners, included art, craft, dance and theatrical workshops, live musical performances, and virtual reality experiences.</p>
	<p>Expanded the Growing Great Leaders program in partnership with Queensland Health’s Centre for Leadership Excellence to offer more than 600 development opportunities to aspiring, emerging and established leaders in the Children’s Health Queensland workforce.</p>
	<p>Established the Children’s Health Queensland Pride employee network to provide a safer environment for LGBTQIA+ staff and allies, allow voices to be heard and contribute to a diverse and equitable organisation where every individual can thrive.</p>
	<p>Welcomed two new Health Practitioner trainees through the U-me Koola program - a Queensland Health initiative that supports the development and inclusion of Aboriginal and Torres Strait Islander peoples by providing a pathway to become qualified Health Practitioners.</p>

Strategic objective: Sustainable futures

Accelerate sustainable high-value care through integration, innovation and transformation.

✓	Awarded Gold Certification for Excellence in Person-Centred Care with Planetree International for a second term in May 2025. This recertification means Children's Health Queensland is the only Planetree-certified organisation in Australia and the only paediatric healthcare provider in the world to currently hold Gold Certification status.
✓	The Queensland Children's Hospital expanded its outpatient capacity with the opening of a new \$4.14 million surgical outpatients clinic in June 2025. The purpose-built space includes 13 consultation rooms, a treatment area and a dedicated telehealth suite, enabling more than 14,000 appointments each year for children requiring plastic and reconstructive surgery or complex gastroenterology care.
✓	Launched the <i>Children's Health Queensland Digital and Data Strategy 2024–2028</i> , a roadmap for harnessing technology and data in delivering trusted, connected, and forward-thinking healthcare for future generations. The strategy responds to key drivers and challenges to ensure digital innovation enhances how we care for children and young people.
✓	The Queensland Children's Hospital became the first paediatric hospital in Australia - and the first hospital in Queensland - to introduce a dedicated blister pack recycling program. In partnership with Pharmacycle, staff and families at the hospital are helping divert plastic and foil pharmaceutical packaging from landfill. In the first three months, 24 kilograms of blister packs were recycled.
✓	Delivered five Open Doors clinics in partnership with the Institute for Urban Indigenous Health (IUIH), providing specialist care to 172 Aboriginal and Torres Strait Islander children. This included a multidisciplinary 'super clinic' bringing together 23 clinical streams, three dedicated ENT clinics and an ophthalmology clinic. Two operating theatre sessions also saw 31 children undergo surgery.
✓	Queensland Children's Hospital surgeons performed the first ROSS-PEARS procedure in the Southern Hemisphere in December 2024. The innovative approach uses a 3D-customised mesh to support the aortic root, preventing it from enlarging or rupturing, and provides an alternative to mechanical valve replacement. The procedure spares children from lifelong medications and allows them to be more active.
✓	Reconfigured four inpatient wards at the Queensland Children's Hospital in May 2024 to improve patient flow, access to care and deliver the best possible hospital experience for families. The new ward structure aligns with national best practice and created dedicated home wards for paediatric surgery and ENT, general paediatrics and respiratory specialities. A general paediatric medical short-stay unit was also created to provide short-term medical management, observation, and treatment for patients staying less than 72 hours.
✓	Launched a Genetic Counselling Liaison Service in September 2024 - the first hospital-based model of its kind in Australia outside a Clinical Genetic Service. Embedded in multidisciplinary teams, it provides timely, compassionate support for families navigating genetic testing and diagnosis. To date, the service has supported more than 800 individuals across 500 families.

<p>✔</p>	<p>Launched the Transport to Treatment minibus service at the Queensland Children’s Hospital to improve access to healthcare for Aboriginal and Torres Strait Islander children and young people. The service, established in partnership with the Children’s Hospital Foundation, offers a holistic solution to access challenges by removing common barriers, such as transport and parking costs, and, for families from regional, rural and remote areas, the navigation of unfamiliar urban environments.</p>
<p>✔</p>	<p>Launched Frankie’s Clubhouse, an innovative, evidence-based suite of resources and storybooks designed to reduce medical traumatic stress and anxiety for babies, children, and their caregivers during medical procedures and hospital stays. Frankie’s Clubhouse supports health professionals, families, educators, and researchers to prepare children for treatment, provide comfort, and aid emotional recovery.</p>
<p>✔</p>	<p>Children’s Health Queensland developed and implemented the world’s first paediatric Bronchiectasis Action Management Plan to support families in managing this complex respiratory condition. The plan has led to a 37 per cent reduction in flare-up-related doctor visits and a 203 per cent increase in flu vaccine uptake, empowering families with clear, evidence-based guidance.</p>
<p>✔</p>	<p>Queensland Children’s Hospital became the first in the world to routinely use ultrasound to assess brain blood flow before heart surgery in children. A research study published in 2024 confirmed the effectiveness of using transcranial Doppler ultrasound to identify children with an incomplete Circle of Willis—an artery loop critical for brain circulation—who may be at greater risk of stroke during surgery. Since becoming standard practice, more than 700 children have been screened with no major adverse events.</p>

Strategic objective: Networked care

Advance the statewide paediatric and adolescent health system through partnership.

<p>✔</p>	<p>Established Medicare Mental Health Kids (formerly Head to Health Kids) services for children 0-12 years in the Greater Brisbane area in partnership with Metro North and Metro South hospital and health services, Brisbane North and Brisbane South Primary Health Networks and IUIH. The mental health and wellbeing services are available in the Moreton Bay North and Logan-Beaudesert areas. The services are jointly funded by the Australian and Queensland Governments.</p>
<p>✔</p>	<p>Partnered with Central Queensland Hospital and Health Service to establish a new insulin pump service at Rockhampton Hospital, supporting children and families with advanced diabetes technologies like insulin pumps, continuous glucose monitors, and real-time insulin adjustments. Specialist training from our endocrinology team has equipped local clinicians to deliver life-changing therapies closer to home. This initiative strengthens paediatric care, reduces long-term complications, and improves quality of life for young people with diabetes in Central Queensland.</p>
<p>✔</p>	<p>In 2025 we formalised a partnership with Townsville Hospital to expand cleft care services across the region, bringing surgery and outpatient care closer to home for around 100 patients. By 30 June 2025, four multidisciplinary cleft clinics had been delivered, improving access to high-quality cleft care for children and young people.</p>
<p>✔</p>	<p>Led the development of a Statewide Audiology Governance Model, establishing a clear framework for roles and responsibilities to ensure safe, high-quality audiology care across Queensland. In partnership with Queensland Health and Mater audiology services, the team developed the Statewide Service Standards for Paediatric Diagnostic Audiology and Cochlear Implants, to drive consistency and excellence in specialist care. Our audiology service also led the development of Behavioural Assessment Guidelines for children under three, further strengthening clinical practice and improving outcomes for young people across the state.</p>
<p>✔</p>	<p>In the first collaboration of its kind in Queensland, we partnered with charity Little Wings to increase access to care and bring essential medical services and psychological support closer to home for families in rural and remote areas. The partnership provides free flights for children with ongoing medical appointments at the Queensland Children's Hospital and has enabled the charity to expand its Medical Wings initiative, working with our clinicians to deliver pop-up clinics across the state.</p>
<p>✔</p>	<p>Our STORK team continued to strengthen paediatric critical care and resuscitation education across Queensland. Over the past financial year, the team delivered more than 300 face-to-face courses to over 3,000 clinicians across 80 hospitals to build local capacity and ensure clinicians are equipped with life-saving skills when they matter most. In 2025, STORK published findings from its quality improvement program, highlighting how data-driven, real-time safety interventions can significantly enhance emergency paediatric care. By working closely with local teams to identify and help address more than 242 risks, the service is translating education into measurable, system-wide improvements.</p>

Strategic objective: Strong communities

Support prevention, promotion and early intervention that helps keep children and young people healthy in their communities.

✓	Expanded the Connecting2u text messaging service to support expectant parents with free health advice and timely reminders throughout pregnancy and the early years. The service now covers the first 2,000 days of a child's life, offering tips on bonding, brain development, immunisation reminders, and more. New localised messaging also connects families in three regional areas with local services and support. The expansion saw more than 8,200 new Queensland parents and carers register for the service over the past financial year.
✓	Partnered with the Department of Education to open the \$10.8 million Dakabin Youth Hub at Dakabin State High School. Co-designed with students and the school community, the purpose-built space provides a safe and welcoming environment for young people to access health services, social supports, and tailored education and training programs. Opened in May 2025, the Hub aims to improve long-term health, wellbeing and learning outcomes for students in the local community.
✓	Partnered with the Darling Downs and Gold Coast hospital and health services to support the expansion of our Healthy Hearing community hearing screening clinics into regional areas. Funded through the Queensland Government's Putting Queensland Kids First initiative, the expansion has resulted in an additional 396 clients seen across Darling Downs and Gold Coast. The clinics improve access to free hearing checks for children (9 months to 16 years), helping identify hearing concerns early and support access to timely interventions and care.
✓	Established new specialist respiratory outreach clinics in Aurukun and Napranum in Cape York Peninsula to provide vital care closer to home for local children and their families. The clinics are delivered through our long-running Indigenous Respiratory Outreach Care program, which provided care to more than 530 Aboriginal and Torres Strait Islander children and young people in 2024-25.
✓	Our Good Start health promotion program rebranded to 'Pacifikai' to better reflect and connect with the diverse Māori and Pacific Islander communities it serves. The new name and logo were shaped through a year-long co-design process with more than 300 Māori and Pacific Islander young people, reflecting the program's deep cultural roots and commitment to community-led care. Pacifikai continues to support over 14,000 participants annually across Queensland.
✓	Delivered the first paediatric dysfunctional breathing course in Australia (attracting more than 300 attendees from Australia and New Zealand across three days) to share expertise and build capacity to foster better local management of severe asthma in children.
✓	Children's Health Queensland's ECHO® Superhub launched three new statewide networks focused on problematic paediatric asthma, infant mental health, and childhood hearing. In 2024/25, 23 ECHO® Networks connected and mentored 1,093 professionals across 441 Queensland communities - empowering frontline providers with real-time access to expert advice and best-practice support to deliver enhanced care, closer to home.

Strategic performance indicators

Strategy	Measured by	Key performance indicators	Targets	2024-2025 actual
Engaged workforce Deliver an inclusive environment where our people are valued, safe and empowered to make change	Improvement in indicators of workforce engagement, safety and wellbeing	Working for Queensland (WfQ) staff engagement score (annual)	≥71%	68%
		Total recordable injury frequency rate (TRIFR)	<12.00	7.59
		Fatigue Penalty rate	≤0.15%	0.14%
		Fatigue Leave rate	≤0.04%	0.04%
	% increase of workforce that identify as Aboriginal and/or Torres Strait Islander	Aboriginal and Torres Strait Islander peoples' representation in the health workforce (as percent of MOHRI)	≥3.01%	2.03%
	Children's Health Queensland workforce diversity and inclusion indicators comparable to Queensland population diversity	Proportion of workforce - Non-English-Speaking Background (as percent of MOHRI)	≥12%	10.6%
		Proportion of Workforce - People with Disabilities (as percent of MOHRI)	≥4%	2.0%
		Proportion of workforce - LGBTIQ+ (as percent of MOHRI)	≥2.3%	2.6%
	% increase workforce retention rate in identified areas	Retention rate - All pay streams	>91.5%	92.4%
		Retention rate - Managerial and clerical	>91.5%	89.7%
Vacancy r- All pay streams		≤13.5%	14.2%	
Vacancy rate - Managerial and clerical		≤13.5%	19.0%	
Sustainable futures Accelerate sustainable high-value care through integration, innovation and transformation	Sustainable surplus is achieved and contributed to innovation and growth	Full year forecast operating position \$M	Balanced or favourable	\$0.36M surplus
	Strategic infrastructure investment is informed through integrated planning	Measure to be developed.	-	-
	Reduction in the delivery of low-value care	Attendance at 'Moving towards high value care' ECHO network	Annual uplift	40 (5.3% uplift)
	Improved overall score on the annual internal institutional racism audit	Children's Health Queensland racism audit score (annual)	≥100	Not available
	Improvement in patient flow and specialist outpatient wait time at Queensland Children's Hospital	Hospital access target: % of emergency stays within 4 hours (all patients)	>77.60	59.6%
		Emergency - Median wait time for service (minutes)	<13	13
		Specialist outpatients: Reduction of long wait patients	<2663	2474
		Outpatients – Median wait time for initial service event (days)	<56	65
		Proportion of overnight inpatients discharged by 10am	≥33.7%	28.1%
	Networked care Advance the statewide paediatric and adolescent health system through partnership	Number of formal training partnerships with other HHSS and education institutions	Number of distinct organisations engaged in Children's Health Queensland ECHO communities of practice	Annual uplift
The role and responsibilities for statewide services are reflected in the Children's Health Queensland Service Agreement		Measure to be developed	-	-
Increased consumer partnerships in Children's Health Queensland care		Increased consumer partnerships in Children's Health Queensland care – parents/carers	≥80%	Not available
		Overall rating of care is positive – parents/carers	≥80%	Not available
		Social, emotional, and cultural wellbeing – parents/carers	≥80%	Not available
		Social, emotional, and cultural wellbeing – children/young people	≥80%	Not available
Increased consumer partnerships in service planning, design, implementation and evaluation	Measure to be developed	-	-	

Strong Communities Support prevention, promotion and early intervention that helps keep children and young people healthy in their communities	% of overall patient experience feedback which is positive	Overall improvement of patient experience dashboard. Note: Measure to be developed	-	-
	Reduced proportion of total overnight separations that are potentially preventable hospitalisations	Potentially preventable hospitalisations (non-diabetes complications) Note: Measure to be developed.	-	-
	Increase in the uptake of Hospital in the Home activity	Hospital in the home (HITH) utilisation	≥13 beds	12.27
	Increase in availability and utilisation of services for diverse communities	Provider knowledge of services for remote communities	Annual uplift	Not available
		Provider knowledge of services for rural communities	Annual uplift	Not available
Provider knowledge of services for regional communities		Annual uplift	Not available	

3.2 Service standards

Table 8: Service Standards – Performance 2024-2025		
Children's Health Queensland Hospital and Health Service	2024–2025 Target	2024–2025 Actual
Effectiveness measures		
Percentage of emergency department patients seen within recommended timeframes		
<ul style="list-style-type: none"> • Category 1 (within 2 minutes) • Category 2 (within 10 minutes) • Category 3 (within 30 minutes) • Category 4 (within 60 minutes) • Category 5 (within 120 minutes) 	100%	100%
	80%	91%
	75%	80%
	70%	87%
	70%	96%
Percentage of emergency department attendances who depart within 4 hours of their arrival in the department	>80%	66%
Percentage of elective surgery patients treated within the clinically recommended times		
<ul style="list-style-type: none"> • Category 1 (30 days) • Category 2 (90 days) • Category 3 (365 days) 	>98%	98%
	>95%	79%
	>95%	89%
Rate of healthcare associated Staphylococcus aureus (including MRSA) bloodstream (SAB) infections/10,000 acute public hospital patient days ¹	≤1.0	0.6
Rate of community mental health follow up within 1–7 days following discharge from an acute mental health inpatient unit ²	>65%	63.8%
Proportion of re-admissions to acute psychiatric care within 28 days of discharge ³	<12%	5.4%
Percentage of specialist outpatients waiting within clinically recommended times ⁴		
<ul style="list-style-type: none"> • Category 1 (30 days) • Category 2 (90 days)⁵ • Category 3 (365 days)⁵ 	98%	73%
	..	63%
	..	89%
Percentage of specialist outpatients seen within clinically recommended times		
<ul style="list-style-type: none"> • Category 1 (30 days) • Category 2 (90 days)⁵ • Category 3 (365 days)⁵ 	98%	79%
	..	37%
	..	58%
Median wait time for treatment in emergency departments (minutes) ⁶	..	13
Median wait time for elective surgery treatment (days)	..	56
Efficiency measure		
Average cost per weighted activity unit for Activity Based Funding facilities ⁷	\$6,446	\$6,471

Table 8: Service Standards – Performance 2024-2025 cont.

Other measures		
Number of elective surgery patients treated within clinically recommended times		
• Category 1 (30 days)	1,869	1,931
• Category 2 (90 days)	4,684	3,724
• Category 3 (365 days)	2,128	2,222
Number of Telehealth outpatients service events ⁸	15,700	19,615
Total weighted activity units (WAU) ^{9,10}		
• Acute Inpatients		
• Outpatients	72,971	69,419
• Sub-acute	21,251	24,987
• Emergency Department	3,509	2,544
• Mental Health	10,357	9,076
• Prevention and Primary Care	4,707	9,538
Ambulatory mental health service contact duration (hours) ¹¹	>65,767	64,761
Staffing ¹²	4,304	4,724

1. Staphylococcus aureus (including MRSA) bloodstream (SAB) infections Actual rate is based on data reported between 1 July 2024 and 31 March 2025 as at 15 May 2025.
2. Previous analysis has shown similar rates of follow up for both Indigenous and non-Indigenous Queenslanders are evident, but trends are impacted by a smaller number of separations for Indigenous Queenslanders. Mental Health rate of community follow up 2024–2025 Actuals are as at 19 August 2025.
3. Mental Health readmissions data is as at 19 August 2025.
4. Waiting within clinically recommended time is a point in time performance measure. 2024–2025 Actual is as at 1 July 2025.
5. Given the System's focus on reducing the volume of patients waiting longer than clinically recommended for specialist outpatients, it is expected that higher proportions of patients seen from the waitlist will be long wait patients and the seen within clinically recommended time percentage will be lower. To maintain the focus on long wait reduction, the 2024–2025 Targets for category 2 and 3 patients are not applicable.
6. There is no nationally agreed target for this measure, and the median wait time varies depending on the proportion of patients in each urgency category.
7. Cost per WAU is reported in QWAU Phase Q27 and is based on data extracted on 18 August 2025.
8. Telehealth data is as at 20 August 2025.
9. All measures are reported in QWAU Phase Q27. Data as at 18 August 2025. As the Hospital and Health Services have operational discretion to respond to service demands and deliver activity across services streams to meet the needs of the community, variation to the Target can occur.
10. The Mental Health 2024–2025 Actual differs from the 2024–2025 Target due to the planned national transition of Community Mental Health Services into Activity Based Funding in 2025–2026. Activity targets for Community Mental Health were incorporated into 2024–2025 Targets following publication of the 2024–2025 Service Delivery Statements, to support Queensland's preparations for the planned national transition in 2025–2026.
11. Ambulatory Mental Health service contact duration data is as at 19 August 2025.
12. In alignment with PSC reporting guidelines, only one employment record per employee is reported. For employees with concurrent employment, the arrangement with the highest percentage of work is reported. This may result in a minor variance where staff work across multiple Hospital and Health Services.

3.3 Chief Finance Officer's Report

Summary

This financial summary provides an overview of Children's Health Queensland's financial results for 2024–2025. In addition, a comprehensive set of financial statements covering the organisation's activities is provided in this report (refer page 49-51).

The organisation recorded an operating surplus of \$0.129 million for the 2024-2025 financial year. This result is a testament to Children's Health Queensland's focus on organisational sustainability whilst continuing to deliver on its commitment to improving the health and wellbeing of children and young people by providing high quality healthcare services. In 2024-25 Children's Health

Queensland has continued to deliver on its purchased activity commitments, forecasting to be approximately one percent of its activity-based funding target and remaining within its financial budget. In addition, Children's Health Queensland has delivered on several major programs this year such as the transition of all operational support services of the Queensland Children's Hospital to an in-house model and also responding to the impacts from Tropical Cyclone Alfred in March 2025.

Table 9 summarises the key financial results of the organisation's operations for the past three financial years:

	2024-25	2023-24	2022-23
Financial performance	\$'000	\$'000	\$'000
Total income	1,141,331	1,063,089	996,347
Total expenses	1,141,202	1,052,099	991,444
Operating result	129	10,990	4,903
Financial position	2024-25	2023-24	2022-23
	\$'000	\$'000	\$'000
Current assets	103,629	94,431	85,905
Non-current assets	1,271,494	1,245,658	1,200,009
Total assets	1,375,123	1,340,089	1,285,914
Current liabilities	110,692	93,195	99,720
Total liabilities	110,692	93,195	99,720
Total equity	1,264,431	1,246,894	1,186,194
Ratios	2024-25	2023-24	2022-23
Current ratio	0.9	1.0	0.9
Equity	0.92	0.93	0.92

Financial performance

Income

Children's Health Queensland's income from all funding sources was \$1.141 billion, a total increase of \$78.242 million or seven per cent from the previous year (refer to Section B1 of the Financial Statements for additional information).

This was mainly attributable to:

- increases in funding relating to employee bargaining arrangements and price escalations for non-labour items.

Source	Percentage
Health Service Funding	89%
User Charges and Fees	8%
Grants & Other Income	3%

Expenses

Total expenses for 2024-25 increased by \$89.103 million or eight per cent to \$1.141 billion (refer to Section B2 of the Financial Statements for additional information).

This was primarily attributable to:

- an increase in employee and health service employees' expenses, mainly due to funded Enterprise Bargaining (EB) increases where these have been ratified, increasing staffing costs due to the transition of operational support services such as cleaning and portering to an in-house model and finally increases in costs associated with programs funded via periodic Service Agreement amendments.
- an increase in drugs expense where eligible are offset by the Pharmaceutical Benefits Scheme (PBS) reimbursements. In 2024-25, Children's Health Queensland also incurred costs in providing access to Blinatumomab, an oncology drug, to clinically appropriate patients after a global studied identified a significant

- an increase in health service funding received through funding amendments to the service agreement between Children's Health Queensland and the Department of Health.
- an increase in own source revenue which was mostly driven by an increase in Pharmaceutical Benefits Scheme (PBS). This income is received for reimbursements of associated drug expenditure, once dispensed. improvement in outcomes for patients in a specific cohort. These costs were funded by Children's Health Queensland until the pharmaceutical was approved to be funded via the PBS from March 2025. For 2024-25, this amounted to approximately \$2.630 million in expenditure not offset by the PBS relating to Blinatumomab.

Category	Percentage
Workforce Costs	68%
Supplies & Services Expenses	22%
Depreciation & Amortisation	8%

How the money was spent

The majority of Children's Health Queensland's actual expenditure in 2024-2025 was incurred on acute hospital services, accounting for 56 per cent of total spending. Community-based health services accounted for 16 per cent of total expenditure while corporate, centrally managed and infrastructure services costs (including depreciation) were 27 per cent. The remaining one per cent related to research and trust-funded activities.

Deferred maintenance

All Queensland Health entities comply with the Queensland Government Building Policy Framework – Growth and Renewal and its

supporting Queensland Government Building Policy Guideline which require the reporting of deferred maintenance. Deferring maintenance is a common building maintenance strategy used to optimise value while managing resources and asset risks.

Deferred maintenance refers to required maintenance not undertaken within the financial year, where the work is necessary to restore the building to a required condition standard or desired risk level. Based on a consideration of risk, these works are deferred to a future budget cycle. It does not include forecast maintenance – planned work that was anticipated but not required during the reporting period (e.g. forecast repainting where no deterioration occurred).

All deferred maintenance items are risk assessed to identify any potential impact on users and services and are closely managed to ensure all facilities remain safe.

As per the Queensland Government Building Policy Guideline, deferred maintenance expenditure may be operational or capital expenditure. Both operational and capital quantities are reported, using the terminology “deferred maintenance” (operational), and “postponed capital maintenance” (capital).

As of 30 June 2025, the Children’s Health Queensland HHS reported:

- \$1.148 million in deferred operational maintenance expenditure, and
- \$49.956 million in postponed capital maintenance expenditure.

Children’s Health Queensland HHS has the following strategies in place to mitigate any risks associated with these items: seek assistance from Timely Investment Infrastructure Maintenance Program (TIIMs)

- increase the operational maintenance budget.

Forecast lifecycle costs are planned future asset replacements, renewals, and refurbishments. They may be planned as capital or operational expenditure but are reported as a single figure. Forecasts are

based on expected asset deterioration and required asset condition standards.

As of 30 June 2025, the Children’s Health Queensland HHS had reported forecast lifecycle replacements, renewals, and refurbishments of \$564.100 million over the next 10 years. This consists of \$74.500 million forecast for the 2025-26 financial year, and \$489.600 million forecast for subsequent financial years.

Financial position

Total assets

Total assets increased by \$35.034 million or three per cent during the year to \$1.375 billion. Property, plant, and equipment are the predominant asset class comprising the Queensland Children’s Hospital and associated infrastructure.

The net increase in total assets primarily reflects:

- net valuation increments of \$83.630 million for land and building assets, offset by depreciation and amortisation charges amounting to \$89.782 million.
- total current assets increased by \$9.198 million mainly due to an increase in capital funding swaps and recoveries.
- property, plant, equipment, and intangible asset acquisitions of \$32.083 million.

Total equity

Total equity is at \$1.264 billion, an increase of \$17.537 million from the previous year. This reflects an increase in the asset revaluation reserve and accumulated surplus balance, offset by a reduced contributed equity balance.

Outlook

In 2025-2026 Children’s Health Queensland will continue to invest in and deliver quality frontline and state-wide paediatric health services that strengthen the public health

system and contribute to safe, caring, and connected communities.

Delivering sustainable futures through high-value care, innovation, and transformation is a strategic priority of Children's Health Queensland. Accordingly, the Board and Executive are committed to investing in services within available funds, delivering productivity and efficiency improvements and managing financial risks and challenges as they are identified.

SECTION 4: FINANCIAL STATEMENTS

Children's Health Queensland
Hospital and Health Service

Financial Statements 2024-2025

For the period ending 30 June 2025

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FOR THE YEAR ENDED 30 JUNE 2025

Statement of Comprehensive Income

Operating result	Note	2025 \$'000	2024 \$'000
Income from continuing operations			
Health services funding	B1.1	1,017,406	946,426
User charges and fees	B1.2	91,939	93,132
Grants and other contributions	B1.3	13,162	10,859
Other revenue	B1.4	18,754	12,611
Total revenue		1,141,261	1,063,028
Gains on disposal of assets		70	61
Total income from continuing operations		1,141,331	1,063,089
Expenses from continuing operations			
Employee expenses	B2.1	161,365	154,314
Health service employee expenses	B2.2	620,283	555,432
Supplies and services	B2.3	256,176	250,816
Grants		3,762	5,335
Depreciation and amortisation	C4/C5	89,782	76,784
Losses on disposal of assets		20	32
Other expenses	B2.4	9,814	9,386
Total expenses from continuing operations		1,141,202	1,052,099
Total operating result from continuing operations		129	10,990
Other comprehensive income			
Items that will not be reclassified to operating result:			
- Increase in asset revaluation surplus	C8.2	83,630	110,604
Total other comprehensive income		83,630	110,604
Total comprehensive income		83,759	121,594

The accompanying notes form part of these financial statements.

AS AT 30 JUNE 2025

Statement of Financial Position

	Note	2025 \$'000	2024 \$'000
Current assets			
Cash and cash equivalents	C1	64,797	63,127
Receivables	C2	12,978	12,028
Inventories		7,549	7,403
Other current assets	C3	18,305	11,873
Total current assets		103,629	94,431
Non-current assets			
Property, plant and equipment	C4	1,266,583	1,240,068
Right-of-use assets		11	22
Intangible assets	C5	4,900	5,568
Total non-current assets		1,271,494	1,245,658
Total assets		1,375,123	1,340,089
Current liabilities			
Payables	C6	101,225	85,165
Employee benefits	C7	3,482	3,483
Contract liabilities		5,985	4,547
Total current liabilities		110,692	93,195
Total liabilities		110,692	93,195
Net assets		1,264,431	1,246,894
Equity			
Contributed equity	C8.1	794,364	860,586
Accumulated surplus		46,646	46,517
Asset revaluation surplus	C8.2	423,421	339,791
Total equity		1,264,431	1,246,894

The accompanying notes form part of these financial statements.

FOR THE YEAR ENDED 30 JUNE 2025

Statement of Changes in Equity

	Accumulated Surplus	Asset Revaluation Surplus	Contributed Equity	Total
Note	\$'000	\$'000	\$'000	\$'000
Balance as at 1 July 2024	46,517	339,791	860,586	1,246,894
Operating result for the year	129	-	-	129
<i>Other comprehensive income:</i>				
- Increase in asset revaluation surplus	-	83,630	-	83,630
<i>Total comprehensive income for the year</i>	129	83,630	-	83,759
<i>Transactions with owners as owners:</i>				
- Equity injections for capital funding	-	-	23,635	23,635
- Equity withdrawals for non-cash depreciation and amortisation funding	-	-	(89,782)	(89,782)
- Asset transfers	C4.1	-	(75)	(75)
<i>Net transactions with owners as owners</i>		-	(66,222)	(66,222)
Balance as at 30 June 2025	46,646	423,421	794,364	1,264,431
Balance as at 1 July 2023	35,527	229,187	921,480	1,186,194
Operating result for the year	10,990	-	-	10,990
<i>Other comprehensive income:</i>				
- Increase in asset revaluation surplus	-	110,604	-	110,604
<i>Total comprehensive income for the year</i>	10,990	110,604	-	121,594
<i>Transactions with owners as owners:</i>				
- Equity injections for capital funding	-	-	15,892	15,892
- Equity withdrawals for non-cash depreciation and amortisation funding	-	-	(76,784)	(76,784)
- Asset transfers	C4.1	-	(2)	(2)
<i>Net transactions with owners as owners</i>		-	(60,894)	(60,894)
Balance as at 30 June 2024	46,517	339,791	860,586	1,246,894

The accompanying notes form part of these financial statements.

FOR THE YEAR ENDED 30 JUNE 2025

Statement of Cash Flows

	Note	2025 \$'000	2024 \$'000
Cash flows from operating activities			
<i>Inflows:</i>			
Health services funding		929,578	882,639
User charges and fees		91,817	89,478
Grants and other contributions		4,817	4,965
Interest receipts		423	378
GST collected from customers		2,249	2,093
GST input tax credits from ATO		18,439	16,839
Other		21,896	13,235
<i>Outflows:</i>			
Employee expenses		(156,584)	(129,955)
Health service employee expenses		(618,570)	(596,046)
Supplies and services		(244,725)	(238,720)
Grants		(3,373)	(4,420)
GST paid to suppliers		(18,700)	(16,911)
GST remitted to ATO		(2,345)	(2,224)
Other		(10,645)	(10,483)
Net cash provided by operating activities		14,277	10,868
Cash flows from investing activities			
<i>Inflows:</i>			
Sales of property, plant and equipment		70	61
<i>Outflows:</i>			
Payments for property, plant and equipment		(32,048)	(11,721)
Payments for intangibles		(35)	(120)
Net cash used in investing activities		(32,013)	(11,780)
Cash flows from financing activities			
<i>Inflows:</i>			
Equity injections		19,418	15,713
<i>Outflows:</i>			
Lease payments		(12)	(11)
Net cash provided by financing activities		19,406	15,702
Net increase in cash and cash equivalents		1,670	14,790
Cash and cash equivalents at beginning of the year		63,127	48,337
Cash and cash equivalents at end of the year	C1	64,797	63,127

The accompanying notes form part of these financial statements.

FOR THE YEAR ENDED 30 JUNE 2025

Notes to the Statement of Cash Flows

Reconciliation of operating result to net cash from operating activities

	2025	2024
	\$'000	\$'000
Operating result for the year	129	10,990
<i>Non-cash items included in operating result:</i>		
Depreciation and amortisation expense	89,782	76,784
Depreciation and amortisation funding	(89,782)	(76,784)
Trade receivable impairment losses	405	443
Inventory written off	76	33
Bad debts written off	807	458
Donations of plant and equipment	-	(22)
Gains on disposal of property, plant and equipment	(70)	(61)
Losses on disposal of property, plant and equipment	20	32
<i>Changes in assets and liabilities:</i>		
(Increase)/decrease in receivables	(2,162)	(1,927)
(Increase)/decrease in inventories	(222)	321
(Increase)/decrease in other current assets	(2,215)	7,115
Increase/(decrease) in payables	16,072	(4,192)
Increase/(decrease) in employee benefits	(1)	(5,683)
Increase/(decrease) in contract liabilities	1,438	3,361
Net cash provided by operating activities	14,277	10,868

Section A Basis of financial statements preparation

A1 General information

Children's Health Queensland Hospital and Health Service (Children's Health Queensland) is a not-for-profit statutory body established on 1 July 2012 under the *Hospital and Health Board Act 2011*. Children's Health Queensland is controlled by the State of Queensland which is the ultimate parent.

The principal address of Children's Health Queensland is:

Queensland Children's Hospital
Level 7, 501 Stanley Street
South Brisbane, QLD, 4101

For information in relation to Children's Health Queensland's financial statements, email CHQ_Comms@health.qld.gov.au or visit the website at: <https://www.childrens.health.qld.gov.au>.

A2 Objectives and principal activities

A description of the nature, objectives and principal activities of Children's Health Queensland is included in the Annual Report.

A3 Statement of compliance

These general purpose financial statements have been prepared pursuant to Section 62(1) of the *Financial Accountability Act 2009*, relevant sections of the *Financial and Performance Management Standard 2019* and other prescribed requirements. The financial statements are general purpose financial statements and have been prepared on an accrual basis (except for the Statement of Cash Flows which is prepared on a cash basis) in accordance with Australian Accounting Standards and Interpretations applicable to not-for-profit entities. In addition, the financial statements comply with Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2024 and other authoritative pronouncements.

A4 Presentation details

Rounding and comparatives

Amounts included in the financial statements are in Australian dollars and have been rounded to the nearest \$1,000 or where the amount is less than \$500, to zero unless the disclosure of the full amount is specifically required. Comparative information reflects the audited 2023-24 financial statements and has been restated where necessary to be consistent with disclosures in the current reporting period.

Current/non-current classification

Assets and liabilities are classified as either current or non-current in the Statement of Financial Position and associated notes.

Assets are classified as current where their carrying amount is expected to be realised within 12 months after the reporting date.

Liabilities are classified as current when they are due to be settled within 12 months after the reporting date, or there are no right to defer settlement to beyond 12 months after the reporting date.

All other assets and liabilities are classified as non-current.

A5 Authorisation of financial statements for issue

The financial statements are authorised for issue by the Hospital and Health Board Chair and the Health Service Chief Executive at the date of signing the Management Certificate.

A6 Basis of measurement

Historical cost

The historical cost convention is used as the measurement basis except where stated. Under historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation or at the amount of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

Net realisable value

Children's Health Queensland's inventories are measured using the lower of cost or net realisable value measurement. Net realisable value represents the amount of cash or cash equivalents that could currently be obtained by selling an asset in an orderly disposal.

Section B Notes about our financial performance

B1 Revenue

B1.1 Health services funding

	2025 \$'000	2024 \$'000
Activity-based funding	634,547	608,080
Block funding	140,815	136,996
Depreciation	89,782	76,784
Other funding	152,262	124,566
Total	1,017,406	946,426

Health services funding mainly comprises funding from the Department of Health for specific public health services purchased in accordance with a service agreement. The service agreement is reviewed periodically and updated for changes in activities and funding of services. The Department of Health receives its revenue for funding from the Queensland and Commonwealth Governments.

Activity-based funding

Ordinarily, activity-based funding is recognised as public health services are delivered. At the end of the financial year, an agreed technical adjustment between the Department of Health and Children's Health Queensland may be required for the level of services performed above or below the agreed levels, which may result in a receivable or unearned revenue. This technical adjustment process is undertaken annually according to the provisions of the service agreement and ensures that the revenue recognised in each financial year reflects Children's Health Queensland's delivery of health services.

Block funding

Block funding is received for services agreed in the service agreement. Block funding does not have sufficiently specific performance obligations whereby Children's Health Queensland can determine and assign transaction prices. Accordingly, it is recognised as revenue on receipt.

Depreciation funding

State funding includes a non-cash appropriation for depreciation and amortisation and is disclosed in the Statement of Changes in Equity as an equity withdrawal.

Other funding

Other funding includes funding for specific programs, as per the service agreement with the Department of Health, which are not classified as activity-based or block funding. Recognition of revenue is dependent on the specific performance obligations attached to each funding sub-type. Funding with sufficiently specific obligations, are recognised over time as the services/goods are provided and obligations met. Where the obligations are not sufficiently specific, revenue is recognised as it is received.

B1.2 User charges and fees

	2025	2024
	\$'000	\$'000
Hospital fees	24,225	28,899
Sale of goods and services	66,056	62,362
Rental revenue	1,658	1,871
Total	91,939	93,132

User charges and fees from contracts with customers is recognised as revenue when the performance obligations are satisfied and can be measured reliably with a sufficient degree of certainty. This involves either invoicing for related goods and services and/or the recognition of accrued revenue.

Hospital fees include inpatient, outpatient and medical ineligible patient fees.

The sale of goods and services includes reimbursement of medication costs in accordance with the Pharmaceutical Benefit Scheme (PBS) with revenue recognised when medications are dispensed to patients and claims lodged for co-payments through the PBS arrangement. It also includes research programs and other medical services provided to other hospital and health services, the Department of Health and other organisations.

Rental revenue is recognised on a periodic straight-line basis over the lease term.

B1.3 Grants and other contributions

Grants	5,107	3,497
Donations	122	343
Services received below fair value	7,933	7,019
Total	13,162	10,859

Services received below fair value

Children's Health Queensland has entered into a number of arrangements with the Department of Health where services are provided for no consideration. These include payroll services, accounts payable services and finance transactional services for which the fair value is reliably estimated and recognised as a revenue contribution and an equivalent expense (Note B2.3). The fair value of some additional services provided such as taxation services, supply services and information technology services are unable to be reliably estimated and not recognised.

B1.4 Other revenue

Recoveries	17,255	11,307
Interest income	423	385
Other	1,076	919
Total	18,754	12,611

Recoveries

Recoveries mainly include revenue recoveries from the Department of Health for non-capital projects in accordance with project agreements.

B2 Expenses

B2.1 Employee expenses

	Note	2025 \$'000	2024 \$'000
Wages and salaries		122,069	121,626
Board member fees		497	531
Employer superannuation contributions		13,854	8,729
Annual leave levy		15,843	15,400
Long service leave levy		3,304	3,111
Other employee related expenses		5,798	4,917
Total		161,365	154,314
Number of employees at end of the year	B2.2	295	284

The number of employees (rounded to the nearest whole number) represents full-time or part-time staff, measured on a full-time equivalent basis reflecting Minimum Obligatory Human Resource Information as at 30 June 2025. Members of the Board, contractors and volunteers are not included in this total. Key management personnel and remuneration disclosures are detailed in Note G1.

B2.2 Health service employee expenses

Health service employee expenses	620,283	555,432
Total	620,283	555,432
Number of health service employees at end of the year	4,429	3,980

Under the current employment arrangements, the Department of Health is the employer of all non-executive health service employees. A non-executive health service employee is any employee who is not a Senior Health Service employee (including Senior Medical Officers and Visiting Medical Officers) or a member of the Health Service Executive.

As at 30 June 2025, total employee costs amounted to \$781.648 million for 4,724 FTE comprising of:

- \$620.283 million attributable to 4,429 Department of Health employees working for Children's Health Queensland;
- \$161.365 million attributable to 295 directly engaged Children's Health Queensland employees.

Under these employment arrangements, the Department of Health enables Children's Health Queensland to perform its functions and exercise powers under the *Hospital and Health Boards Act 2011* and to ensure delivery of the services prescribed in the Service Agreement. The arrangement operates as follows:

- The Department of Health provides non-executive employees to perform work for Children's Health Queensland and the Queensland health system, acknowledging and accepting its obligations as the employer of the Queensland Health employees.
- Children's Health Queensland is responsible for the day-to-day workforce management.
- Children's Health Queensland reimburses the Department of Health for the salaries and on-costs of non-executive employees.

B2.3 Supplies and services

	2025	2024
	\$'000	\$'000
Clinical supplies and services	65,474	61,974
Consultants and contractors - clinical	7,164	6,412
Consultants and contractors - non-clinical	24,113	23,229
Pharmaceuticals	54,143	51,768
Catering and domestic supplies	11,566	16,228
Communications	4,382	4,224
Repairs and maintenance	22,501	18,798
Computer services	24,409	21,633
Facility management costs and utilities	13,125	20,062
Rental agreements	7,421	6,270
Patient travel	987	1,238
Other travel	2,512	2,264
Office supplies	1,458	1,719
Minor works and equipment	5,384	4,214
Services received below fair value	B1.3 7,933	7,019
Other	3,604	3,764
Total	256,176	250,816

B2.4 Other expenses

External audit fees	209	196
Other audit fees	253	261
Inventory written off	76	33
Bad debts written off	807	458
Transfer to allowance for impairment of receivables	C2 538	504
Legal costs	592	788
Insurance	7,214	7,043
Special payments	50	20
Other	75	83
Total	9,814	9,386

External audit fees

Total audit fees paid or payable to the Queensland Audit Office (QAO) relating to the 2024-25 financial year are \$208,550 (2024: \$195,800). There were no non-audit services provided by the QAO during the period.

Insurance premiums

Property and general losses are insured through the Queensland Government Insurance Fund (QGIF) under the Department of Health's insurance policy with a maximum exposure of \$10,000. Health litigation payments and associated legal fees are also insured through QGIF and the maximum exposure to Children's Health Queensland under this policy is limited to \$20,000 for each insurable event. Premiums are calculated by QGIF on a risk assessed basis. Children's Health Queensland also maintains separate Directors and Officers liability insurance.

Special payments

Special payments relate to ex-gratia expenditure that is not contractually or legally obligated to be made to other parties. In compliance with the *Financial and Performance Management Standard 2019*, Children's Health Queensland maintains a register setting out details of all special payments greater than \$5,000. There is one ex-gratia payment exceeding \$5,000 during the year. This was a co-contribution towards a complex medical procedure performed externally.

Section C Notes about our financial position

C1 Cash and cash equivalents

	2025	2024
	\$'000	\$'000
Imprest accounts	11	11
Cash at bank and on hand	57,041	55,699
Cash on deposit	7,745	7,417
Total	64,797	63,127

Cash assets include all cash on hand and in banks, cheques receipted but not banked at the reporting date and at call deposits.

Children's Health Queensland bank accounts are grouped within the whole-of-government set-off arrangement with the Commonwealth Bank of Australia. As a result, Children's Health Queensland does not earn interest on surplus funds and is not charged interest or fees for accessing its approved cash debit facility.

Cash on deposit relates to General Trust Fund monies which are not grouped within the whole-of-government set-off arrangement and are able to be invested and earn interest. Cash on deposit with the Queensland Treasury Corporation earned interest at an annual effective rate of 4.63 per cent (2024: 4.82 per cent).

C2 Receivables

Trade debtors	13,197	12,199
Less: allowance for impairment loss	(2,080)	(1,675)
	11,117	10,524
GST receivable	1,985	1,724
GST payable	(124)	(220)
	1,861	1,504
Total	12,978	12,028

Receivables

Trade debtors are recognised at the agreed purchase or contract price due at the time of sale or service delivery. Settlement of these amounts is required within 30 days from invoice date. The collectability of receivables is assessed on a monthly basis. All known bad debts are written off as at 30 June 2025.

C2 Receivables (continued)**Ageing trade debtors position**

2025	Gross	Loss	Expected	Net
Trade debtors	\$'000	rate	credit	\$'000
		%	losses	
			\$'000	\$'000
Not yet due	4,609	2.04%	(94)	4,515
Less than 30 days	3,287	1.92%	(63)	3,224
30 - 60 days	1,270	5.04%	(64)	1,206
61 - 90 days	758	16.23%	(123)	635
More than 90 days	3,273	53.04%	(1,736)	1,537
Total	13,197		(2,080)	11,117

2024				
Not yet due	3,564	1.21%	(43)	3,521
Less than 30 days	2,859	1.54%	(44)	2,815
30 - 60 days	1,196	3.18%	(38)	1,158
61 - 90 days	916	8.95%	(82)	834
More than 90 days	3,664	40.08%	(1,468)	2,196
Total	12,199		(1,675)	10,524

Movement in allowance for impairment of trade debtors	2025	2024
	\$'000	\$'000
Opening balance	1,675	1,232
Amounts written off during the year	(133)	(61)
Increase in allowance recognised in operating result	538	504
Closing balance	2,080	1,675

Impairment of receivables

The loss allowance for trade debtors (excluding inter-government agency receivables) reflects lifetime expected credit losses and incorporates reasonable and supportable forward-looking information. Children's Health Queensland assesses if there is objective evidence that receivables are impaired or uncollectible on a monthly basis. Objective evidence includes financial difficulties of the debtor, the class of debtor or delinquency in payments. After an appropriate range of debt recovery actions are undertaken, if the amount becomes uncollectible it is written off.

Debts representing inter-government agency receivables are expected to have an insignificant level of credit risk exposure and therefore are excluded from any loss allowance.

C3 Other current assets

	2025	2024
	\$'000	\$'000
Contract assets		
- Contracted health services	4,931	2,784
- Capital funding swaps and recoveries	4,933	989
- Others	4,499	4,756
Prepayments	3,942	3,344
Total	18,305	11,873

Contract assets

Contract assets arise from contracts with customers and are transferred to receivables when Children's Health Queensland's right to payment becomes unconditional. This occurs when the invoice is issued to the customer.

Capital funding swaps and recoveries include approved transactions with the Department of Health whereby operating funds are agreed to be used towards capital projects and revenue recoveries are made in arrears in accordance with project agreements.

C4 Property, plant and equipment

	2025	2024
	\$'000	\$'000
Land at fair value:	104,980	102,254
Buildings:		
At fair value	1,982,555	1,852,145
Less: accumulated depreciation	<u>(880,104)</u>	<u>(760,461)</u>
	1,102,451	1,091,684
Heritage and cultural assets at fair value:	1,196	1,187
Plant and equipment:		
At cost	127,974	105,311
Less: accumulated depreciation	<u>(77,770)</u>	<u>(67,821)</u>
	50,204	37,490
Capital works in progress at cost:	7,752	7,453
Total	<u>1,266,583</u>	<u>1,240,068</u>

C4.1 Property, plant and equipment reconciliation

	Land (Level 2)	Buildings (Level 2)	Buildings (Level 3)	Heritage and cultural (Level 3)	Plant and equipment	Work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2024	102,254	850	1,090,834	1,187	37,490	7,453	1,240,068
Acquisitions	-	-	-	9	13,411	18,628	32,048
Donations	-	-	-	-	-	-	-
Disposals	-	-	-	-	(20)	-	(20)
Net revaluation increments/(decrements)	2,726	(137)	81,041	-	-	-	83,630
Transfers to/from other HHS	-	-	-	-	(75)	-	(75)
Transfers between asset classes	-	25	11,387	-	6,917	(18,329)	-
Depreciation for the year	-	(38)	(81,511)	-	(7,519)	-	(89,068)
Balance at 30 June 2025	104,980	700	1,101,751	1,196	50,204	7,752	1,266,583
Balance at 1 July 2023	96,914	575	1,050,798	1,175	37,962	6,457	1,193,881
Acquisitions	-	-	-	12	6,022	5,687	11,721
Donations	-	-	-	-	22	-	22
Disposals	-	-	-	-	(32)	-	(32)
Net revaluation increments	5,340	-	105,264	-	-	-	110,604
Transfers to other HHS	-	-	-	-	(2)	-	(2)
Transfers between asset classes	-	301	3,869	-	521	(4,691)	-
Depreciation for the year	-	(26)	(69,097)	-	(7,003)	-	(76,126)
Balance at 30 June 2024	102,254	850	1,090,834	1,187	37,490	7,453	1,240,068

C4.2 Property, plant and equipment accounting policies

(a) Recognition thresholds

Items of property, plant and equipment with a historical cost or other value equal to or in excess of the following thresholds and with a useful life of more than one year, are recognised for financial reporting purposes in the year of acquisition.

Land	\$1
Buildings	\$10,000
Heritage and cultural assets	\$5,000
Plant and equipment	\$5,000

Items with a lesser value are expensed in the year of acquisition.

Children's Health Queensland has an annual maintenance program for its plant and equipment and infrastructure assets. Expenditure is only capitalised if it increases the service potential or useful life of the existing asset. Maintenance expenditure that merely restores original service potential (arising from ordinary wear and tear) is expensed.

Land improvements undertaken by Children's Health Queensland are included within the buildings asset class.

(b) Acquisition

Property, plant and equipment are initially recorded at consideration plus any other costs incidental to the acquisition, including all other costs directly incurred in bringing the asset ready for use. Separately identified components of significant value are measured on the same basis as the assets to which they relate.

Where assets are acquired for no consideration from another Queensland Government entity, the acquisition cost is recognised as the gross carrying amount in the books of the transferor immediately prior to the transfer together with any accumulated depreciation.

Assets acquired at no cost or for nominal consideration, other than from an involuntary transfer from another Queensland Government entity, are recognised at fair value at the date of acquisition in accordance with AASB 116 Property, Plant and Equipment.

(c) Subsequent measurement

Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefits, in excess of the originally assessed performance of the asset, will flow to the entity in future years. Costs that do not meet the criteria for capitalisation are expensed as incurred.

Land, buildings and heritage and cultural assets are subsequently measured at fair value in accordance with AASB 116 Property, Plant and Equipment, AASB 13 Fair Value Measurement and Queensland Treasury's Non-Current Asset Policies for the Queensland Public Sector. These assets are reported at their revalued amounts, being the fair value at the date of valuation, less any subsequent accumulated depreciation and impairment losses where applicable.

The cost of items acquired during the year has been judged by Management to materially represent the fair value at the end of the reporting period.

(d) Depreciation

Land and heritage and cultural assets are not depreciated as they have an unlimited useful life.

Property, plant and equipment is depreciated on a straight-line basis so as to allocate the net cost or revalued amount of each asset over the estimated useful life. This is consistent with the even consumption of service potential of these assets over their useful life.

C4.2 Property, plant and equipment accounting policies (continued)

Assets under construction (work in progress) are not depreciated until they reach service delivery capacity or are ready for use.

For each class of depreciable assets, the range of estimated useful lives of the assets are as follows:

Buildings	13 to 74 years
Plant and equipment	2 to 38 years

Separately identifiable components of assets are depreciated according to the useful lives of each component.

The depreciable amount of improvements to or on leasehold buildings is allocated progressively over the shorter of the estimated useful lives of the improvements or the unexpired period of the lease. The unexpired period of leases includes any option period where exercise of the option is probable.

Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised, and the new depreciable amount is depreciated over the remaining useful life of the asset.

Management estimates the useful lives of property, plant and equipment based on expected period of time over which economic benefits from use of the asset will be derived. Management reviews useful life assumptions on an annual basis having given consideration to variables including historical and forecast usage rates, technological advancements and changes in legal and economic conditions.

For Children's Health Queensland's depreciable assets, the estimated amount to be received on disposal at the end of their useful life (residual value) is determined to be zero.

(e) Impairment

All property, plant and equipment assets are assessed for indicators of impairment on an annual basis or, where the asset is measured at fair value, for indicators of a change in fair value/service potential since the last valuation was completed. In accordance with AASB 13 Fair Value Measurement, the recoverable cost of buildings revalued under replacement cost methodology are deemed to be materially the same as their fair values.

If an indicator of impairment exists, Children's Health Queensland determines the asset's recoverable amount (higher of value in use and fair value less costs to sell). Any amount by which the asset's carrying amount exceeds the recoverable amount is considered an impairment loss.

For assets measured at cost, an impairment loss is recognised immediately in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus of the relevant class to the extent available.

Impairment indicators were assessed in 2024-25 with no asset requiring an adjustment for impairment.

C4.3 Property, plant and equipment valuation

The fair value of land and buildings are assessed on an annual basis by independent professional valuers. Comprehensive revaluations are undertaken at least once every five years. If a particular asset class experiences significant and volatile changes in fair value, that class is subject to specific appraisal in the reporting period, where practicable, regardless of the timing of the last specific appraisal. This requirement applies to the extent that either the valuation results wholly or partially from a change in the service potential/capacity of the asset or the application of an indexation method would not result in a materially correct estimation of fair value.

C4.3 Property, plant and equipment valuation (continued)

In line with the above stated requirements, where assets have not been specifically appraised in the reporting period, previous valuations are materially kept up-to-date via the application of relevant indices. The valuers supply the indices used for the various types of assets. Such indices are either publicly available, or are derived from market information available to the valuer. The valuers provide assurance of their robustness, validity and appropriateness for application to the relevant assets.

Through this process, which is undertaken annually, Management assesses and confirms the relevance and suitability of indices provided by the valuer based on Children Health Queensland's particular circumstances.

Revaluation increments are credited to the asset revaluation surplus of the appropriate class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. In that case it is recognised as income. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation surplus relating to that asset class.

(a) Land

Land is valued by the market approach, using the direct comparison method. Under this valuation technique, the assets are compared to recent comparable sales as the available market evidence. The valuation of land is determined by analysing the comparable sales and reflecting the shape, size, topography, location, zoning, any restrictions such as easements and volumetric titles and other relevant factors specific to the asset being valued. From the sales analysed, the valuer considers all characteristics of the land and may apply an appropriate rate per square metre to the subject asset.

All land was revalued by an independent professional valuer, Acumentis, using comprehensive and indexed valuation methods with an effective date of 30 June 2025. The combine comprehensive valuations and land lot indexation resulted in an increment of 2.7% in land value. Management has assessed the valuations as appropriate and recognises the significant market volatility this financial year in line with broader market factors.

Restriction: Children's Health Queensland controls land subject to a legal restriction, being the land footprint for the Queensland Children's Hospital (QCH) with a fair value of \$68.700 million as at 30 June 2025. This land is subject to a Memorandum of Understanding and a Call Option to Buy Hospital between the State of Queensland (the State) represented by the Department of Health and Mater Misericordiae Limited (Mater), which provides for the granting of an option to Mater to acquire the footprint for consideration of \$1. Mater may exercise the option by notice in writing within 30 days after the earlier of the 60th anniversary of the opening of the QCH (29 November 2074), or the date when the State ceases to use QCH as a tertiary paediatric hospital. The State may, on or before the 60th anniversary of the opening of the hospital, exercise an option to extend the term to a date not less than 90 years from the opening date. However, Mater may then elect for the State to demolish the buildings on the footprint (at the cost of the State) prior to transferring the land to Mater. The asset has been recognised under the land asset class at fair value.

(b) Buildings

Health service buildings

Reflecting the specialised nature of health service buildings for which there is not an active market, fair value is determined using current replacement cost.

The methodology applied by the valuer is a financial simulation in lieu of a market based measurement as these assets are rarely bought and sold on the open market.

C4.3 Property, plant and equipment valuation (continued)

A replacement cost is estimated by creating a cost plan (cost estimate) of the asset through the measurement of key quantities such as:

- Gross floor area/ building footprint
- Number of lifts and staircases
- Number of floors
- Height of the building
- Girth of the building
- Location

The model developed by the valuer creates an elemental cost plan using these quantities. It can apply to multiple building types and relies on the valuer's experience with construction costs.

The cost model is updated each year and tests are done to compare the model outputs on actual recent projects to ensure it produces a true representation of the cost of replacement. The costs are at Brisbane prices and published location indices are used to adjust the pricing to suit local market conditions.

The key assumption on the replacement cost is that the estimate is based on replacing the current function of the building with a building of the same form (size and shape). This assumption has a significant impact if an asset's function changes. The cost to bring to current standards is the estimated cost of replacing the service potential of the asset with a modern equivalent built to current standards. Adjustment to the replacement cost is then made to reflect the gross value of the building. The valuer in conjunction with Management have identified items of functional and economic obsolescence. These items have been costed and used to adjust the replacement cost to produce the gross value which reflects the replacement cost less any utility not present in the asset.

The gross value is then adjusted for physical obsolescence using a straight line adjustment using the asset capitalisation date (depreciation start date) and the estimated remaining useful life of each of the building elements. The valuer and Management agree on the estimated remaining useful life of each building element.

Estimates of remaining life are based on the assumption that the asset remains in its current function and will be maintained. No allowance has been provided for significant refurbishment works in the estimate of remaining life as any refurbishment should extend the life of the asset.

Children's Health Queensland has adopted the gross method of reporting comprehensively revalued assets. This method restates separately the gross amount and related accumulated depreciation of the assets comprising the class of revalued assets. Accumulated depreciation is restated in accordance with the independent advice of the valuers. The proportionate method has been applied to those assets that have been revalued by way of indexation.

All health service buildings were revalued by an independent professional valuer, AECOM, using comprehensive, desktop and indexed valuation methods with an effective date of 30 June 2025. Management has assessed the valuations as appropriate and recognises the significant market volatility this financial year in line with broader market factors. The outcome of the valuation resulted in a 7% increase in indexation rate for 2024-25 mainly due to rising construction costs. Management has received confirmation from the independent valuer that, at the reporting date, these factors have not had any material impact to the building asset values provided.

Commercial office building

Children's Health Queensland owns a commercial office building that is valued under the income valuation approach. Such valuation technique capitalises the adjusted market net income to determine the fair value of the asset using readily available market data. The fair value measurement reflects current market expectations about these future amounts.

C4.3 Property, plant and equipment valuation (continued)

Children's Health Queensland has adopted the net method of reporting this asset. This method eliminates accumulated depreciation and accumulated impairment losses against the gross amount of the asset prior to restating for the revaluation.

The building was revalued by an independent professional valuer, Acumentis, with an effective date of 30 June 2025. Management has assessed the valuations as appropriate.

(c) Plant and equipment

Plant and equipment is measured at cost in accordance with Queensland Treasury's Non-Current Asset Policies for the Queensland Public Sector. The carrying amount for plant and equipment at cost does not materially differ from fair value.

C5 Intangible assets

	2025	2024
	\$'000	\$'000
Developed software:		
At cost	8,811	8,811
Less: accumulated amortisation	<u>(4,231)</u>	<u>(3,604)</u>
	4,580	5,207
Purchased software:		
At cost	830	628
Less: accumulated amortisation	<u>(643)</u>	<u>(567)</u>
	187	61
Software work in progress:		
At cost	133	300
Total intangible assets	<u>4,900</u>	<u>5,568</u>

Intangibles reconciliation

	Developed software	Purchased software	Software work in progress	Total
	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2024	5,207	61	300	5,568
Acquisitions	-	-	35	35
Transfer between classes	-	202	(202)	-
Amortisation for the year	<u>(627)</u>	<u>(76)</u>	<u>-</u>	<u>(703)</u>
Balance at 30 June 2025	<u>4,580</u>	<u>187</u>	<u>133</u>	<u>4,900</u>
Balance at 1 July 2023	5,706	97	291	6,094
Acquisitions	-	-	120	120
Transfer between classes	111	-	(111)	-
Amortisation for the year	<u>(610)</u>	<u>(36)</u>	<u>-</u>	<u>(646)</u>
Balance at 30 June 2024	<u>5,207</u>	<u>61</u>	<u>300</u>	<u>5,568</u>

An intangible asset is recognised only if its historical cost is equal to or greater than \$100,000. Items with a lesser cost are expensed. As there is no active market for any of the intangibles held by Children's Health Queensland, the assets are recognised and carried at cost less accumulated amortisation.

Software is amortised on a straight-line basis over the period in which the related benefits are expected to be realised. The useful life and amortisation method is reviewed annually and adjusted appropriately. The current estimated useful life for Children's Health Queensland software systems is 5 to 13 years.

Intangibles are assessed for indicators of impairment on an annual basis with no asset requiring an adjustment for impairment in 2024-25.

C6 Payables

	Note	2025 \$'000	2024 \$'000
Trade creditors		51,675	39,335
Health service employee payables	B2.2	12,982	11,638
Lease liabilities		11	23
Other accrued payables		36,557	34,169
Total		101,225	85,165

Payables are recognised for amounts to be paid in the future for goods and services received. Payables are measured at the agreed purchase or contract price, gross of applicable trade and other discounts. The amounts owing are unsecured and generally settled on 30 day terms.

C7 Employee benefits

Accrued salary, wages and related costs	3,432	3,415
Other	50	68
Total	3,482	3,483

Accrued salary, wages and related costs

Salaries, wages and related costs due but unpaid at reporting date are recognised in the Statement of Financial Position at current salary rates. Unpaid entitlements are expected to be paid within 12 months and as such any liabilities are recognised at their undiscounted values.

As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

Annual leave and long service leave

Under the Queensland Government's Annual Leave Central Scheme and Long Service Leave Central Scheme, levies are payable by Children's Health Queensland to cover the cost of employees' annual leave (including leave loading and on-costs) and long service leave. No provisions for long service leave or annual leave are recognised in Children's Health Queensland's financial statements as the provisions for these schemes are reported on a whole-of-government basis pursuant to AASB 1049 Whole-of-Government and General Government Sector Financial Reporting. These levies are expensed in the period in which they are payable. Amounts paid to employees for annual leave and long service leave are claimed from the schemes quarterly in arrears.

Superannuation

Employer superannuation contributions relating to employees and Board members are expensed in the period in which they are paid or payable. Children's Health Queensland's obligation is limited to its contributions to the respective superannuation funds.

Other employee benefits

The liability for employee benefits includes provisions for accrued rostered days off entitlements.

C8 Equity

C8.1 Contributed equity

Non-reciprocal transfers of assets and liabilities between wholly-owned Queensland State Public Sector entities are adjusted to contributed equity in accordance with Interpretation 1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities. Appropriations for equity adjustments are similarly designated.

Children's Health Queensland receives funding from the Department of Health to cover depreciation and amortisation costs. However, as depreciation and amortisation are non-cash expenditure items, the Minister for Health and Ambulance Services has approved a withdrawal of equity by the State for the same amount, resulting in non-cash revenue and non-cash equity withdrawal.

C8.2 Asset revaluation surplus by asset class

	Land \$'000	Building \$'000	Total \$'000
Balance at 1 July 2024	35,731	304,060	339,791
Net revaluation increment for the year	2,726	80,904	83,630
Balance at 30 June 2025	38,457	384,964	423,421
Balance at 1 July 2023	30,391	198,796	229,187
Net revaluation increment for the year	5,340	105,264	110,604
Balance at 30 June 2024	35,731	304,060	339,791

Section D Notes about our risks and other accounting uncertainties

D1 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (i.e: an exit price), regardless of whether the price is directly derived from observable inputs or estimated using another valuation technique.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued, and include, but are not limited to, published sales data for land and the commercial office building.

Unobservable inputs are data, assumptions and judgements that are not available publicly, but are relevant to the characteristics of the assets/liabilities being valued. Significant unobservable inputs used by Children's Health Queensland include, but are not limited to, subjective adjustments made to observable data to take account of the specialised nature of health service buildings, including historical and current construction contracts (and/or estimates of such costs), and assessments of physical condition and remaining useful life. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefit by using the asset in its highest and best use which is its current use unless the asset is classified as held-for-sale under AASB 5 or it becomes highly probable that the asset will be used for an alternative purpose.

All assets and liabilities of Children's Health Queensland for which fair value is measured or disclosed in the financial statements are categorised within the following fair value hierarchy, based on the data and assumptions used in the most recent specific appraisals:

- Level 1: represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities;
- Level 2: represents fair value measurements that are substantially derived from inputs (other than quoted prices included in level 1) that are observable, either directly or indirectly; and
- Level 3: represents fair value measurements that are substantially derived from unobservable inputs.

None of Children's Health Queensland's valuations of assets or liabilities are eligible for categorisation into level 1 of the fair value hierarchy and there were no transfer of assets between fair value hierarchy levels during the period. More specific fair value information about the entity's property, plant and equipment is outlined further in Notes C4.

Trade and other receivables are measured at cost less any allowance for impairment. Due to the short-term nature of these assets the fair value does not differ significantly from their amortised cost.

D2 Financial risk disclosures

(a) Financial instruments categories

Children's Health Queensland has the following categories of financial assets and financial liabilities as reflected in the Statement of Financial Position – Cash and cash equivalents (Note C1), Receivables (Note C2), Other current assets (Note C3) and Payables (Note C6).

No financial assets and financial liabilities have been offset and presented net in the Statement of Financial Position.

(b) Financial risk management

Children's Health Queensland is exposed to a variety of financial risks – credit risk, liquidity risk and market risk. Financial risk is managed in accordance with Queensland Government and agency policies. Children's Health Queensland policies provide written principles for overall risk management and aim to minimise potential adverse effects of risk events on the financial performance of the agency.

Risk exposure	Measurement method
Credit risk	Ageing analysis
Liquidity risk	Sensitivity analysis, monitoring of cash flows by management of accrual accounts
Market risk	Interest rate sensitivity analysis

(c) Credit risk exposure

Credit risk is the potential for financial loss arising from a counterparty defaulting on its obligations. The maximum exposure to credit risk at reporting date is equal to the gross carrying amount of the financial asset, inclusive of any allowance for impairment.

Credit risk, excluding receivables, is considered minimal given all Children's Health Queensland cash on deposits are held by the State through Queensland Treasury Corporation.

No collateral is held as security and no credit enhancements relate to financial assets held by Children's Health Queensland.

No financial assets have had their terms renegotiated to prevent them from being past due or impaired and are stated at the carrying amounts as indicated.

(d) Liquidity risk

Liquidity risk is the risk that Children's Health Queensland will not have the resources required at a particular time to meet its obligations to settle its financial liabilities. Children's Health Queensland is exposed to liquidity risk through its trading in the normal course of business. It aims to reduce the exposure to liquidity risk by ensuring sufficient funds are available to meet employee and supplier obligations at all times. Children's Health Queensland has an approved debt facility of \$10.500 million (2024: \$10.500 million) under whole-of-government banking arrangements to manage any short term cash shortfalls. This facility has not been drawn down as at 30 June 2025 and is available for use in the next reporting period.

The liquidity risk of financial liabilities held by Children's Health Queensland is limited to the payables category as reflected in the Statement of Financial Position. All payables are less than 1 year in term.

(e) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk. Children's Health Queensland has interest rate exposure on the cash on deposits with Queensland Treasury Corporation. Children's Health Queensland does not undertake any hedging in relation to interest rate risk. Changes in interest rates have a minimal effect on the operating result of Children's Health Queensland.

D3 Commitments

	2025	2024
	\$'000	\$'000
(a) Non-cancellable rental agreements commitments - payables		
Rental agreements commitments are payable as follows:		
Not later than 1 year	3,695	1,173
Later than 1 year and not later than 5 years	9,240	1,786
Later than 5 years	891	-
Total	13,826	2,959
(b) Capital expenditure commitments		
Capital expenditure commitments are payable as follows:		
Not later than 1 year	10,675	17,719
Later than 1 year and not later than 5 years	6,067	1,390
Total	16,742	19,109

D4 Contingencies

Litigation in progress

As at 30 June 2025 there were 10 cases filed with the courts as follows:

	2025	2024
Supreme court	8	2
District court	1	1
Tribunals, commissions and boards	1	1
Total	10	4

Health and property litigation is underwritten by Queensland Government Insurance Fund (QGIF) and Children's Health Queensland's liability in this area is limited to an excess per insurance event.

All Children's Health Queensland's indemnified claims are managed by QGIF. As at 30 June 2025, there were 60 claims being managed by QGIF, some of which may never be litigated or result in claim payments. The maximum exposure to Children's Health Queensland under this policy is limited to \$20,000 for each insurable event.

D5 Events occurring after the reporting date

No matters or circumstances have arisen since 30 June 2025 that have significantly affected, or may significantly affect Children's Health Queensland's operations, the results of those operations, or the state of affairs in future years.

D6 New and revised accounting standards

(a) Changes in accounting policy

Children's Health Queensland did not voluntarily change any accounting policies during 2024-25.

(b) Accounting standards early adopted in 2024-25

No Australian Accounting Standards have been early adopted for 2024-25.

(c) Accounting standards applied for the first time in 2024-25

No Australian Accounting Standards have been applied for the first time for 2024-25.

D7 Future impact of accounting standards not yet effective

At the date of authorisation of the financial statements, Children's Health Queensland has assessed there are no new or amended Australian Accounting Standards, issued but with future commencement dates that will have a material impact on Children's Health Queensland's activities.

Section E Notes about our performance compared to Budget

This section discloses Children's Health Queensland's original budgeted figures for 2024-25 compared to actual results, with explanations of major variances, in respect of the Statement of Comprehensive Income, Statement of Financial Position and Statement of Cash Flows.

E1 Budget to actual comparison – Statement of Comprehensive Income

	Variance Notes	Original Budget 2025 \$'000	Actual 2025 \$'000	Variance \$'000
Income from continuing operations				
Health services funding		987,747	1,017,406	29,659
User charges and fees		90,424	91,939	1,515
Grants and other contributions		10,180	13,162	2,982
Other revenue		6,138	18,754	12,616
Total revenue		1,094,489	1,141,261	46,772
Gains on disposal of assets		69	70	1
Total income from continuing operations		1,094,558	1,141,331	46,773
Expenses from continuing operations				
Employee expenses		160,427	161,365	938
Health service employee expenses	(a)	557,994	620,283	62,289
Supplies and services	(b)	276,101	256,176	(19,925)
Grants		4,235	3,762	(473)
Depreciation and amortisation		78,538	89,782	11,244
Loss on disposal of assets		515	20	(495)
Other expenses		16,748	9,814	(6,934)
Total expenses from continuing operations		1,094,558	1,141,202	46,644
Total operating result		-	129	129
Other comprehensive income				
Items that will not be reclassified to operating result:				
- Increase in asset revaluation surplus		-	83,630	83,630
Total other comprehensive income		-	83,630	83,630
Total comprehensive income		-	83,759	83,759

E2 Budget to actual comparison – Statement of Financial Position

	Variance Notes	Original Budget 2025 \$'000	Actual 2025 \$'000	Variance \$'000
Current assets				
Cash and cash equivalents	(c)	43,352	64,797	21,445
Receivables	(d)	23,827	12,978	(10,849)
Inventories		7,835	7,549	(286)
Other current assets	(d)	2,979	18,305	15,326
Total current assets		77,993	103,629	25,636
Non-current assets				
Property, plant and equipment		1,185,749	1,266,583	80,834
Right of use assets		-	11	11
Intangible assets		9,003	4,900	(4,103)
Total non-current assets		1,194,752	1,271,494	76,742
Total assets		1,272,745	1,375,123	102,378
Current liabilities				
Payables	(e)	79,880	101,225	21,345
Employee benefits		3,805	3,482	(323)
Contract liabilities		1,186	5,985	4,799
Total current liabilities		84,871	110,692	25,821
Total liabilities		84,871	110,692	25,821
Net assets / Total equity		1,187,874	1,264,431	76,557

E3 Budget to actual comparison – Statement of Cash Flows

	Variance Notes	Original Budget 2025 \$'000	Actual 2025 \$'000	Variance \$'000
Cash flows from operating activities				
<i>Inflows:</i>				
Health services funding		987,747	929,578	(58,169)
User charges and fees		91,724	91,817	93
Grants and other contributions		3,224	4,817	1,593
Interest receipts		25	423	398
GST collected from customers		-	2,249	2,249
GST input tax credits from ATO		-	18,439	18,439
Other	(f)	10,988	21,896	10,908
<i>Outflows:</i>				
Employee expenses		(160,030)	(156,584)	3,446
Health service employee expenses	(a)	(557,994)	(618,570)	(60,576)
Supplies and services	(b)	(280,562)	(244,725)	35,837
Grants		(4,235)	(3,373)	862
GST paid to suppliers		-	(18,700)	(18,700)
GST remitted to ATO		-	(2,345)	(2,345)
Other		(9,792)	(10,645)	(853)
Net cash provided by operating activities		81,095	14,277	(66,818)
Cash flows from investing activities				
<i>Inflows:</i>				
Sales of property, plant and equipment		69	70	1
<i>Outflows:</i>				
Payments for property, plant and equipment	(g)	-	(32,048)	(32,048)
Payments for intangibles		-	(35)	(35)
Net cash used in investing activities		69	(32,013)	(32,082)
Cash flows from financing activities				
<i>Inflows:</i>				
Equity injections	(h)	-	19,418	19,418
<i>Outflows:</i>				
Equity withdrawals	(i)	(78,538)	-	78,538
Lease payments		-	(12)	(12)
Net cash provided by/(used in) financing activities		(78,538)	19,406	97,944
Net increase in cash and cash equivalents		2,626	1,670	(956)
Cash and cash equivalents at beginning of the year		40,726	63,127	22,401
Cash and cash equivalents at end of the year		43,352	64,797	21,445

E4 Budget to actual comparison – Explanation of major variances

- a) Health service employee expenses have increased by \$62.289 million. The key drivers for the variance relate to an increase in staffing due to the transition of operational support services to an in-house staffing model and increases relating to services or programs where funds were transacted at designated amendment windows throughout the year, post sign-off of the original budget. Furthermore, there have been additional workforce payments and entitlements during the year, including pay rate uplifts, as defined in enterprise bargaining (EB) agreements which has resulted in the actuals being higher than the estimates when setting the budget.
- b) A decrease in supplies and services of \$19.925 million predominantly relates to the transition of operational support services to an in-house model (\$7.886 million) and lower usage of high-cost drugs than expected (\$5.074 million).
- c) An increase in the cash asset position is mainly due to a higher than originally expected cash balance at the beginning of the year (\$22.401 million) due to additional funding received and further impacted by the operating surplus generated last year (\$10.990 million).
- d) In the original budget, accrued revenue was classified as Receivables, however, in line with the terminology in AASB 15, accrued revenue is to be recognised as Contract assets. The net increase of \$4.477 million in the combined categories mainly relates to an increase in capital funding swaps and recoveries (\$4.933 million) to be received from the Department of Health, following the scheduled end of year funding reconciliation.
- e) An increase in payables is mainly due to higher outstanding creditors than originally expected for the end of year mainly due to capital expenditure incurred for the patient monitor replacement project (\$5.607 million) and payroll cost owing to the Department of Health.
- f) An increase in cash inflows mainly reflects revenue recoveries from the Department of Health for non-capital projects in accordance with project agreements (\$17.255 million).
- g) An increase in payments for property, plant and equipment mainly relates to higher than anticipated capital projects expenditure (\$18.628 million) and medical equipment (\$13.020 million).
- h) An increase in equity injections relates to higher than anticipated funding towards capital expenditure for facility projects (\$10.542 million), the newly built Dakabin Community Centre (\$4.757 million) and equipment purchases under the Health Technology Equipment Replacement (HTER) Program (\$4.119 million).
- i) Funding for depreciation was budgeted as a cash item. It was subsequently accounted for as a non-cash equity withdrawal.

Section F What we look after on behalf of third parties

F1 Restricted assets

Children's Health Queensland holds a number of General Trust accounts which meet the definition of restricted assets. These accounts ensure the associated income is only utilised for the purposes specified by the issuing body.

Children's Health Queensland receives cash contributions from benefactors in the form of gifts, donations and bequests for stipulated purposes. Contributions are also received from private practice clinicians and from external entities to provide for education, study and research in clinical areas.

	2025	2024
	\$'000	\$'000
Opening balance	7,615	7,267
Income	1,950	1,908
Expenditure	(1,494)	(1,560)
Closing balance	8,071	7,615

F2 Third party monies

	2025	2024
	\$'000	\$'000
(a) Grant of private practice accounts		
Revenue and expense:		
<i>Revenue</i>		
Billings	5,747	5,561
Total revenue	5,747	5,561
<i>Expense</i>		
Payments to medical practitioners	3,835	3,783
Payments to Children's Health Queensland for recoverable costs	1,886	1,759
Payments to medical practitioners' trust	26	19
Total expenditure	5,747	5,561
Assets and liabilities:		
<i>Current assets</i>		
Cash at bank	992	782
Total assets	992	782
<i>Current liabilities</i>		
Payables to medical practitioners	381	177
Payables to Children's Health Queensland for recoverable costs	585	592
Payables to medical practitioners' trust	26	13
Total liabilities	992	782
(b) Patient trust accounts		
Opening balance	8	8
Cash receipts	1	1
Cash payments	(1)	(1)
Closing balance	8	8

Children's Health Queensland acts as a billing agency for medical practitioners who use Children's Health Queensland facilities for the purpose of seeing patients under the Grant of Private Practice agreement (GOPP). Under this agreement, Children's Health Queensland deducts a service fee (where applicable) from private patient fees received to cover the use of the facilities and administrative support provided to the medical practitioner.

In addition, Children's Health Queensland acts in a custodian role in relation to patient trust accounts. As such, these transactions and balances are not recognised in the financial statements but are disclosed for information purposes. The Queensland Audit Office undertakes a review of such accounts as part of the audit of the Children's Health Queensland financial statements.

Section G Other information

G1 Key management personnel and remuneration expenses

The following details for key management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of Children's Health Queensland during 2024-25.

(a) Minister for Health and Ambulance Services

The Minister for Health and Ambulance Services is identified as part of Children's Health Queensland's key management personnel, consistent with AASB 124 Related Party Disclosures.

(b) Board

Position and Name	Responsibilities, Appointment Authority and Memberships	Date of Initial Appointment	Date of Resignation or Cessation
Board Chair - Ms Heather Watson	Perform duties of Chair as prescribed in the <i>Hospital and Health Boards Act 2011</i> . Governor-in-Council Appointment. Member – Health Service Executive Committee Member – Research Committee	1 April 2024 (Appointed as Board member 18 May 2018)	-
Deputy Chair - Mr William Fellowes	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> . Governor-in-Council Appointment. Chair – Health Service Executive Committee Member – Audit and Risk Committee Member – Finance and Performance Committee	26 September 2024 (Appointed as Board member 18 May 2021)	-
Board Member - Ms Cheryl Herbert	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> . Governor-in-Council Appointment. Member – Safety and Quality Committee Member – Research Committee	26 June 2015	
Board Member - Ms Inmaculada Beaumont	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> . Governor-in-Council Appointment. Chair – Audit and Risk Committee Member – Health Service Executive Committee Member – Finance and Performance Committee	1 April 2024	-
Board Member - Mr Martin Byrne	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> . Governor-in-Council Appointment. Chair – Finance and Performance Committee Member – Health Service Executive Committee Member – Safety and Quality Committee	10 June 2021	-
Board Member - Ms Suzanne Cadigan	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> . Governor-in-Council Appointment. Chair – Safety and Quality Committee Member – Health Service Executive Committee Member – Audit and Risk Committee	18 May 2019	-
Board Member - Mr Simon Denny	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> . Governor-in-Council Appointment. Chair – Research Committee Member – Health Service Executive Committee Member – Safety and Quality Committee	10 June 2021	-

(b) Board (continued)

Position and Name	Responsibilities, Appointment Authority and Memberships	Date of Initial Appointment	Date of Resignation or Cessation
Board Member - Ms Karina Hogan	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> . Governor-in-Council Appointment. Member – Finance and Performance Committee Member – Safety and Quality Committee	18 May 2019	-
Board Member - Ms Meredith Staib	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> . Governor-in-Council Appointment. Member – Finance and Performance Committee Member – Audit and Risk Committee Member – Health Service Executive Committee	18 May 2020	-
Board Member - Ms Kara Cook	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> . Governor-in-Council Appointment. Member – Audit and Risk Committee Member – Research Committee	1 April 2024	2 February 2025

(c) Executive management**Health Service Chief Executive**

Responsibilities				
The single point of accountability for ensuring patient safety through the effective executive leadership and management of Children's Health Queensland, as well as associated support functions. Accountable for ensuring Children's Health Queensland achieves a balance between efficient service delivery and high quality health outcomes.				
Name	Incumbent status	Contract Classification and Appointment Authority	Date of Initial Appointment	Date of Resignation or Cessation
Francis Tracey	Current	Individual contract <i>Hospital and Health Boards Act 2011</i> S24/70 Award Free Section 24	23 July 2019	-

Executive Director Corporate Services / Chief Financial Officer

Responsibilities				
Lead the corporate services function, including Finance and Procurement, Digital Health Service and Facilities and Capital Infrastructure with a core focus on sustainability to ensure support for the delivery of high quality healthcare, and provide strategic advice, leadership and management oversight of the financial and corporate services functions for Children's Health Queensland. Work in conjunction with the executive team to ensure that financial stewardship and governance arrangements are in place to meet financial performance targets and imperatives.				
Name	Incumbent status	Contract Classification and Appointment Authority	Date of Initial Appointment	Date of Resignation or Cessation
Alan Fletcher	Current	Health Executive Service (HES 3) <i>Hospital and Health Boards Act 2011</i>	3 July 2017	-

(c) Executive management (continued)**Executive Director, Medical Services**

Responsibilities				
Provide medical executive leadership, strategic focus, managerial direction, authoritative and expert advice on professional and policy issues, leading development of a generative culture that draws the best talent and enhances the attraction and retention of high quality child and family focused medical specialists. To lead paediatric patient safety and quality improvement for Children's Health Queensland.				
Name	Incumbent status	Contract Classification and Appointment Authority	Date of Initial Appointment	Date of Resignation or Cessation
Steven McTaggart	Current	Senior Medical Officer (Level 28 – MMOI3), <i>Medical Officer (Queensland Health) Certified Agreement (No.6) 2022 (MOCA 6)</i>	27 July 2020	-

Executive Director, Nursing Services

Responsibilities				
Provide nursing executive leadership, direction, authoritative and expert advice on a wide range of professional and policy issues and alignment to relevant standards, for the safe and effective delivery of nursing services across Children's Health Queensland. Shape and lead strategic thinking at the executive management level in a complex, diverse and dynamic environment, to develop and establish an integrated nursing service delivery model and workforce. Cultivate a working environment which actively promotes a collaborative performance culture that includes values of trust and respect for consumers, carers and other stakeholders.				
Name	Incumbent status	Contract Classification and Appointment Authority	Date of Initial Appointment	Date of Resignation or Cessation
Callan Battley	Current	Nurse Grade 13 <i>Nurses and Midwives (Queensland Health) Award – State 2015</i>	16 September 2019	-

Executive Director, Allied Health

Responsibilities				
Provide allied health executive leadership, strategic focus, authoritative and expert advice on a wide range of professional and policy issues to the Health Service Chief Executive, members of the Executive Team and other relevant stakeholders. Achieve policy and operational alignment with national, state and Children's Health Queensland strategic directions, policies and professional standards for the effective and safe delivery of contemporary allied health services.				
Name	Incumbent status	Contract Classification and Appointment Authority	Date of Initial Appointment	Date of Resignation or Cessation
Leanne Johnston	Current	Health Practitioners (HP8-2) <i>Queensland Health Certified Agreement (No.2) 2011</i>	24 April 2023	-

Executive Director, Clinical Services

Responsibilities				
Provide strategic leadership and ultimate accountability for the effective and efficient delivery of operational services across the organisation including community, mental health and services delivered from the Queensland Children's Hospital.				
Name	Incumbent status	Contract Classification and Appointment Authority	Date of Initial Appointment	Date of Resignation or Cessation
Dominic Tait	Current	Health Executive Service (HES 3) <i>Hospital and Health Boards Act 2011</i>	15 October 2017	20 July 2025

(c) Executive management (continued)**Executive Director, Strategy and Transformation**

Responsibilities				
Provide leadership, advice and management oversight for strategy, planning, improvement and innovation processes and activities for Children's Health Queensland to support the delivery of safe, integrated and life-changing care to children, young people and their families.				
Name	Incumbent status	Contract Classification and Appointment Authority	Date of Initial Appointment	Date of Resignation or Cessation
Adrian Clutterbuck	Current	Health Executive Service (HES 2) <i>Hospital and Health Boards Act 2011</i>	1 January 2021	-

Executive Director, Communications, Culture and Engagement

Responsibilities				
Responsible for the proactive and strategic management of Children's Health Queensland internal and external communications, marketing and media, stakeholder engagement, organisational culture, leadership development and Arts in Health program.				
Name	Incumbent status	Contract Classification and Appointment Authority	Date of Initial Appointment	Date of Resignation or Cessation
Damian Pointon	Current Acting	Health Executive Service (HES 2) <i>Hospital and Health Boards Act 2011</i>	23 September 2024	-
Belinda Taylor	Former	Health Executive Service (HES 2) <i>Hospital and Health Boards Act 2011</i>	12 November 2018	23 August 2024

Executive Director, People and Governance

Responsibilities				
Lead Children's Health Queensland's Human Resource Services, Governance, Risk and Compliance Services, Health Safety and Wellbeing functions and Legal and Internal Audit functions; ensuring their capability and capacity to support Children's Health Queensland to achieve the highest standards within those corporate functions.				
Name	Incumbent status	Contract Classification and Appointment Authority	Date of Initial Appointment	Date of Resignation or Cessation
John Hammond	Current Acting	Health Executive Service (HES 2) <i>Hospital and Health Boards Act 2011</i>	27 November 2024	-
Naomi Hebson	Former	Health Executive Service (HES 2) <i>Hospital and Health Boards Act 2011</i>	10 January 2022	26 November 2024

Executive Director, Aboriginal and Torres Strait Islander Engagement

Responsibilities				
Provide strategic advice, guidance and support to the Children's Health Queensland Board, Health Service Chief Executive and members of the Executive Team on matters relating to equitable health outcomes for Aboriginal and Torres Strait Islander children and young people, which prioritises their cultural, emotional and spiritual needs.				
Name	Incumbent status	Contract Classification and Appointment Authority	Date of Initial Appointment	Date of Resignation or Cessation
Angela Young	Current	Health Executive Service (HES 2) <i>Hospital and Health Boards Act 2011</i>	22 February 2021	-

(d) Remuneration expenses**Minister for Health and Ambulance Services**

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. Children's Health Queensland does not bear any cost of remuneration of the Minister. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Services Branch within the Department of the Premier and Cabinet. As all Ministers are reported as KMP of the Queensland Government, aggregate remuneration expenses for all Ministers is disclosed in the Queensland General Government and Whole of Government Consolidated Financial Statements which are published as part of Queensland Treasury's Report on State Finances.

Board

The remuneration of members of the Board is approved by Governor-in-Council as part of the terms of appointment. Each member is entitled to receive a fee, with the exception of appointed public service employees unless otherwise approved by the Government. Members may also be eligible for superannuation payments.

Executive Management

In accordance with section 67 of the *Hospital and Health Boards Act 2011*, the Director-General of the Department of Health determines the remuneration for Children's Health Queensland key executive management employees. The remuneration and other terms of employment are specified in employment contracts or in the relevant Enterprise Agreements and Awards.

Remuneration expenses for key executive management personnel comprise the following components:

- Short-term employee expenses which include:
 - Monetary expenses: salaries, allowances and leave entitlements earned and expensed for the entire year or for that part of the year during which the employee occupied the specified position.
 - Non-monetary benefits: other benefits provided to the employee including performance benefits recognised as an expense during the year with fringe benefits tax where applicable.
- Long-term employee expenses include amounts expensed in respect of long service leave entitlements earned.
- Post-employment expenses include amounts expensed in respect of employer superannuation obligations.
- Termination benefits are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payment in lieu of notice on termination, regardless of the reason for termination.

Employment contracts for key management personnel do not provide for any performance payments.

(i) Board – Remuneration expenses

Position and name		Short-term employee expenses		Long-term employee expenses	Post-employment expenses	Termination benefits	Total expenses
		Monetary expenses \$'000	Non-monetary benefits \$'000	\$'000	\$'000	\$'000	\$'000
Ms Heather Watson Board Chair	2025	81	17	-	10	-	108
	2024	61	17	-	9	-	87
Mr William Fellowes Deputy Chair	2025	50	17	-	6	-	73
	2024	50	17	-	7	-	74
Ms Cheryl Herbert Board Member	2025	47	-	-	6	-	53
	2024	53	-	-	8	-	61
Ms Inmaculada Beaumont Board Member	2025	49	-	-	7	-	56
	2024	11	-	-	2	-	13
Mr Martin Byrne Board Member	2025	49	-	-	6	-	55
	2024	48	1	-	7	-	56
Ms Suzanne Cadigan Board Member	2025	50	17	-	6	-	73
	2024	53	16	-	8	-	77
Mr Simon Denny Board Member	2025	50	-	-	6	-	56
	2024	50	-	-	7	-	57
Ms Karina Hogan Board Member	2025	46	-	-	6	-	52
	2024	48	-	-	7	-	55
Ms Meredith Staib Board Member	2025	48	11	-	6	-	65
	2024	46	17	-	7	-	70
Ms Kara Cook Board Member	2025	27	-	-	4	-	31
	2024	11	-	-	2	-	13
Total Remuneration: Board	2025	497	62	-	63	-	622
	2024	431	68	-	64	-	563

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

(ii) Executive Management - Remuneration expenses

Position	Incumbent Status	Year	Short-term employee expenses		Long-term employee expenses	Post-employment expenses	Termination benefits	Total expenses
			Monetary expenses \$'000	Non-monetary benefits \$'000	\$'000	\$'000	\$'000	\$'000
Health Service Chief Executive	Current	2025	465	-	11	54	-	530
	Current	2024	427	-	10	55	-	492
Executive Director Corporate Services / Chief Finance Officer	Current	2025	267	17	7	30	-	321
	Current	2024	225	16	7	30	-	278
Executive Director, Medical Services	Current	2025	571	11	13	57	-	652
	Current	2024	586	-	13	72	-	671
Executive Director, Nursing Services	Current	2025	292	17	7	33	-	349
	Current	2024	283	17	6	37	-	343
Executive Director, Allied Health	Current	2025	217	-	5	25	-	247
	Current	2024	220	-	5	25	-	250
Executive Director, Clinical Services	Current	2025	279	17	7	33	-	336
	Current	2024	250	17	6	31	-	304
Executive Director, People and Governance	Current Acting	2025	134	17	3	16	-	170
	Former	2025	98	11	2	11	-	122
	Former	2024	234	17	5	31	-	287
Executive Director, Strategy and Transformation	Current	2025	237	17	6	28	-	288
	Current	2024	223	17	5	29	-	274
Executive Director, Communications, Culture and Engagement	Current Acting	2025	172	16	4	20	-	212
	Former	2025	35	10	1	2	-	48
	Former	2024	204	17	5	27	-	253
Executive Director, Aboriginal and Torres Strait Islander Engagement	Current	2025	202	-	5	24	-	231
	Current	2024	236	-	5	31	-	272
Total Remuneration: Executives		2025	2,969	133	71	333	-	3,506
		2024	2,888	101	67	368	-	3,424

G2 Related party transactions

(a) Transactions with Queensland Government controlled entities

Children's Health Queensland is controlled by its ultimate parent entity, the State of Queensland. All State of Queensland controlled entities meet the definition of a related party in AASB 124 Related Party Disclosures.

Material transactions between Children's Health Queensland and Queensland Government controlled entities are as follows:

Department of Health

Children's Health Queensland receives funding from the Department of Health for specific public health services in accordance with a service agreement (Note B1.1) Children's Health Queensland also incurs expenditure for supplies and services provided by the Department of Health.

Related transactions for the year are as follow:

	2025	2024
	\$'000	\$'000
Revenue received	1,053,589	979,785
Expenditure incurred (including cost of health service employees)	687,863	621,491
Assets	10,637	4,889
Liabilities	69,268	57,244

In addition, the Department of Health provides some corporate services support to Children's Health Queensland for no consideration (Note B1.3).

Other Hospital and Health Services

Payments to and receipts from other Hospital and Health Services occur to facilitate the transfer of patients, drugs, staff and other incidentals.

Children's Hospital Foundation

The Children's Hospital Foundation (Foundation) raises funds for research, equipment and services for Children's Health Queensland. Ms Karina Hogan (nominee of the Chair of the Children's Health Queensland Board) and Mr Francis Tracey (Health Service Chief Executive) are the nominated members on the Foundation Board at reporting date. Membership of the Board is in line with the Foundation's Constitution and the governance terms of such an arrangement.

(b) Transactions with people/entities related to key management personnel

Transactions were identified with one related party, which were all on normal commercial terms and conditions and were immaterial in nature.

G3 Taxation

Children's Health Queensland is a State body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). FBT and GST are the only Commonwealth taxes accounted for by Children's Health Queensland.

Both Children's Health Queensland and the Department of Health satisfy section 149-25(e) of the *A New Tax System (Goods and Services) Act 1999 (Cth) (the GST Act)* and were able, with other Hospital and Health services, to form a "group" for GST purposes under Division 149 of *the GST Act*. This means that any transactions between the members of the "group" do not attract GST.

G4 Climate risk disclosure

(a) Whole-of-Government climate-related reporting

The State of Queensland, as the ultimate parent of Children's Health Queensland, provides information and resources on climate related strategies and actions accessible at <https://www.energyandclimate.qld.gov.au/climate> and <https://www.treasury.qld.gov.au/energy-and-climate/>

The Queensland Sustainability Report (QSR) outlines how the Queensland Government measures, monitors and manages sustainability risks and opportunities, including governance structures supporting policy oversight and implementation. To demonstrate progress, the QSR also provides time series data on key sustainability policy responses. The QSR is available via Queensland Treasury's website at <https://www.treasury.qld.gov.au/programs-and-policies/queensland-sustainability-report>.

(b) Children's Health Queensland

Children's Health Queensland has not identified any material climate related risks relevant to the financial report at the reporting date. No adjustments to the carrying value of recorded assets or other adjustments to the amounts recorded in the financial statements were recognised during the financial year.

Children's Health Queensland continues to monitor the emergence of material related risks that may impact the financial statements, including those arising under the Queensland Government's Queensland 2035 Clean Economy Pathway and other Government publications or directives.

FOR THE YEAR ENDED 30 JUNE 2025

Management Certificate

These general purpose financial statements have been prepared pursuant to Section 62(1) of the *Financial Accountability Act 2009* (the Act), Section 39 of the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with Section 62(1)(b) of the Act, we certify that in our opinion:

- (a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- (b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of Children's Health Queensland Hospital and Health Service for the financial year ended 30 June 2025 and of the financial position of Children's Health Queensland Hospital and Health Service at the end of that year; and

We acknowledge responsibility under Section 7 and Section 11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.



Ms Heather Watson
Chair
Children's Health Queensland
Hospital and Health Board

21 August 2025



Mr Francis Tracey
Health Service Chief Executive
Children's Health Queensland
Hospital and Health Service

21 August 2025

INDEPENDENT AUDITOR'S REPORT

To the Board of Children's Health Queensland Hospital and Health Service

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Children's Health Queensland Hospital and Health Service.

The financial report comprises the statement of financial position as at 30 June 2025, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including material accounting policy information, and the management certificate.

In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 30 June 2025, and its financial performance and cash flows for the year then ended; and
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including independence standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. I addressed these matters in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Valuation of specialised buildings (\$1,092 million)

Refer to Note C4 in the financial report.

Key audit matter	How my audit addressed the key audit matter
<p>Buildings were material to Children’s Health Queensland Hospital and Health Service at balance date and were measured at fair value using the current replacement cost method.</p> <p>Children’s Health Queensland Hospital and Health Service performed a comprehensive revaluation of 8 building assets across the following locations this year as part of the rolling revaluation program:</p> <ul style="list-style-type: none"> • Queensland Children’s Hospital; and • Adolescent Extended Treatment Centre (AETC) <p>All other buildings were assessed using relevant indices.</p> <p>The current replacement cost method comprises:</p> <ul style="list-style-type: none"> • gross replacement cost, less • accumulated depreciation. <p>Children’s Health Queensland Hospital and Health Service derived the gross replacement cost of its buildings at balance date using unit prices that required significant judgements for:</p> <ul style="list-style-type: none"> • identifying the components of buildings with separately identifiable replacement costs • developing a unit rate for each of these components, including: <ul style="list-style-type: none"> – estimating the current cost for a modern substitute (including locality factors and oncosts), expressed as a rate per unit (e.g. \$/square metre) – identifying whether the existing building contains obsolescence or less utility compared to the modern substitute, and if so, estimating the adjustment to the unit rate required to reflect this difference. <p>The measurement of accumulated depreciation involved significant judgements for determining condition and forecasting the remaining useful lives of building components.</p> <p>The significant judgements required for gross replacement cost and useful lives are also significant for calculating annual depreciation expense.</p> <p>Using indexation required:</p> <ul style="list-style-type: none"> • significant judgement in determining changes in cost and design factors for each asset type since the previous revaluation • reviewing previous assumptions and judgements used in the last comprehensive valuation to ensure ongoing validity of assumptions and judgements used. 	<p>My procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • assessing the adequacy of management’s review of the valuation process and results • reviewing the scope of the instructions provided to the valuer • assessing the appropriateness of the valuation methodology and the underlying assumptions with reference to common industry practices • assessing the appropriateness of the components of buildings used for measuring gross replacement costs with reference to common industry practices • assessing the competence, capabilities and objectivity of the experts used to develop the models • for unit rates, on a sample basis, evaluating the relevance, completeness and accuracy of source data used to derive the unit rate of the: <ul style="list-style-type: none"> – modern substitute (including locality factors and oncosts) – adjustment for excess quality or obsolescence. • evaluating the relevance and appropriateness of the indices used for changes in cost inputs by comparing to other relevant external indices • evaluating useful life estimates for reasonableness by: <ul style="list-style-type: none"> – reviewing management’s annual assessment of useful lives – at an aggregate level, reviewing asset management plans for consistency between renewal budgets and the gross replacement of assets – testing that no building asset still in use has reached or exceeded its useful life – enquiring of management about their plans for assets that are nearing the end of their useful life – reviewing assets with an inconsistent relationship between condition and remaining useful life • where changes in useful lives were identified, evaluating whether the effective dates of the changes applied for depreciation expense were supported by appropriate evidence.

Responsibilities of the entity for the financial report

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards, and for such internal control as the Board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Board is also responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the entity or to otherwise cease operations.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:
https://www.auasb.gov.au/auditors_responsibilities/ar6.pdf

This description forms part of my auditor's report.

Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2025:

- a) I received all the information and explanations I required.
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the Financial and Performance Management Standard 2019. The applicable requirements include those for keeping financial records that correctly record and explain the entity's transactions and account balances to enable the preparation of a true and fair financial report.



27 August 2025

D J Toma
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

SECTION 5: APPENDICES

Glossary of terms

Accessible	Accessible healthcare is characterised by the ability of people to obtain appropriate healthcare at the right place and right time, irrespective of income, cultural background or geography.		and/or in the patient's home (for hospital-in-the-home patients).
Activity based funding (ABF)	<ol style="list-style-type: none"> 1. A management tool with the potential to enhance public accountability and drive technical efficiency in the delivery of health services by: <ul style="list-style-type: none"> • creating an explicit relationship between funds allocated and services provided • capturing consistent and detailed information on hospital sector activity and accurately measuring the costs of delivery • strengthening management's focus on outputs, outcomes and quality encouraging clinicians and managers to identify variations in costs and practices so they can be managed at a local level in the context of improving efficiency and effectiveness • providing mechanisms to reward good practice and support quality initiatives. 	Admitted patient	A patient who undergoes a hospital's formal admission process as an overnight-stay patient or a same-day patient.
Acute care	<p>Care in which the clinical intent or treatment goal is to:</p> <ul style="list-style-type: none"> • cure illness or provide definitive treatment of injury • perform surgery • relieve symptoms of illness or injury (excluding palliative care) • reduce severity of an illness or injury • protect against exacerbation and/or complication of an illness and/or injury that could threaten life or normal function • perform diagnostic or therapeutic procedures. 	Allied health staff	Professional staff who meet mandatory qualifications and regulatory requirements in the following areas: audiology, clinical measurement sciences, dietetics and nutrition, exercise physiology, leisure therapy, medical imaging, music therapy, nuclear medicine technology, occupational therapy, orthoptics, pharmacy, physiotherapy, podiatry, prosthetics and orthotics, psychology, radiation therapy, sonography, speech pathology and social work.
Acute hospital	Generally, a recognised hospital that provides acute care and excludes dental and psychiatric hospitals.	Best-practice	Cooperative way in which organisations and their employees undertake business activities in all key processes and use benchmarking that can be expected to lead to sustainable positive outcomes.
Admission	The process whereby a hospital accepts responsibility for a patient's care and/or treatment. It follows a clinical decision, based on specified criteria, that a patient requires same-day or overnight care or treatment, which can occur in hospital	Clinical workforce	Staff who are or who support health professionals working in clinical practice, have healthcare specific knowledge/experience, and provide clinical services to health consumers, either directly and/or indirectly, through services that have a direct impact on clinical outcomes.
		Full-time equivalent (FTE)	Refers to full-time equivalent staff currently working in a position.
		Health outcome	Change in the health of an individual, group of people or population attributable to an intervention or series of interventions.
		Hospital	Healthcare facility established under Commonwealth, state or territory legislation as a hospital or a free-standing day-procedure unit and authorised to provide treatment and/or care to patients.
		Hospital and Health Board	Hospital and Health Boards are made up of a mix of members with expert skills and knowledge relevant to managing a complex healthcare organisation,

Hospital and Health Board	Hospital and Health Boards are made up of a mix of members with expert skills and knowledge relevant to managing a complex healthcare organisation, charged with authority under the <i>Hospital and Health Boards Act 2011</i> .	Performance indicator	A measure that provides an 'indication' of progress towards achieving the organisation's objectives and usually has targets that define the level of performance expected against the performance indicator.
Hospital and Health Service	A Hospital and Health Service (HHS) is a separate legal entity established by Queensland Government to deliver public hospital services. The first HHSs commenced on 1 July 2012. Queensland's 17 HHSs will replace existing health service districts.	Registered nurse	An individual registered under national law to practice in the nursing profession as a nurse, other than as a student.
Hospital in the Home	Provision of care to hospital-admitted patients in their place of residence, as a substitute for hospital accommodation.	Statutory bodies	A non-departmental government body, established under an Act of Parliament. Statutory bodies can include corporations, regulatory authorities and advisory committees or councils.
Immunisation	Process of inducing immunity to an infectious agent by administering a vaccine.	Sustainable	A health system that provides infrastructure, such as workforce, facilities and equipment, and is innovative and responsive to emerging needs, for example, research and monitoring within available resources.
Long wait	A 'long wait' elective surgery patient is one who has waited longer than the clinically recommended time for their surgery, according to the clinical urgency category assigned. That is, more than 30 days for a Category 1 patient, more than 90 days for a Category 2 patient and more than 365 days for a Category 3 patient.	Telehealth	Delivery of health-related services and information via telecommunication, including: <ul style="list-style-type: none"> live, audio and/or video interactive links for clinical consultations and educational purposes store-and-forward telehealth, including digital images, video, audio and clinical (stored) data on a client computer, then transmitted securely (forwarded) to a clinic at another location where they are studied by relevant specialists teleradiology for remote reporting and clinical advice for diagnostic images telehealth services and equipment to monitor people's health in their home.
Medical practitioner	A person who is registered with the Medical Board of Australia to practice medicine in Australia, including general and specialist practitioners.		
Outpatient	An individual who accesses non-admitted health services at a hospital or health facility.		
Outpatient service	Examination, consultation, treatment or other service provided to non-admitted non-emergency patients in a specialty unit or under an organisational arrangement administered by a hospital.		

Glossary of acronyms

AASB	Australian Accounting Standards Board	QUT	Queensland University of Technology
ABF	Activity Based Funding	UCF	Union Consultative Forum
CSCF	Clinical Services Capability Framework	UQ	The University of Queensland
CYMHS	Child and Youth Mental Health Service	WAU	Weighted Activity Unit
EB	Enterprise Bargaining	WfQ	Working for Queensland
ED	Emergency Department		
ENT	Ear, nose and throat		
FAA	Financial Accountability Act 2009		
FBT	Fringe Benefits Tax		
FPMS	Financial and Performance Management Standard 2019		
FTE	Full-time equivalent		
GOPP	Grant of Private Practice		
GST	Goods and Services Tax		
HHS	Hospital and Health Service		
ICT	Information and Communication Technology		
IFC	Inside front cover		
IROC	Indigenous Respiratory Outreach Care		
ISO	International Organization for Standardization		
IUIH	Institute for Urban Indigenous Health		
KMP	Key management personnel		
KPI	Key performance indicators		
PCBU	Person conducting a business or undertaking		
POS	Point of Service		
QAO	Queensland Audit Office		
QCH	Queensland Children's Hospital		
QGIF	Queensland Government Insurance Fund		

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Compliance checklist

Summary of requirement		Basis for requirement	Annual report reference (page)
Letter of compliance	A letter of compliance from the accountable officer or statutory body to the relevant Minister/s	ARRs – section 7	3
Accessibility	Table of contents	ARRs – section 9.1	4
	Glossary		99-101
	Public availability	ARRs – section 9.2	IFC
	Interpreter service statement	Queensland Government Language Services Policy ARRs – section 9.3	IFC
	Copyright notice	Copyright Act 1968 ARRs – section 9.4	IFC
	Information licensing	QGEA – Information Licensing ARRs – section 9.5	IFC
General information	Introductory information	ARRs – section 10	8-18
Non-financial performance	Government's objectives for the community and whole-of-government plans/specific initiatives	ARRs – section 11.1	5
	Agency objectives and performance indicators	ARRs – section 11.2	8, 41-42
	Agency service areas and service standards	ARRs – section 11.3	14-15, 43-44
Financial performance	Summary of financial performance	ARRs – section 12.1	46-48
Governance – management and structure	Organisational structure	ARRs – section 13.1	26
	Executive management	ARRs – section 13.2	23-25
	Government bodies (statutory bodies and other entities)	ARRs – section 13.3	21
	Public Sector Ethics	Public Sector Ethics Act 1994 ARRs – section 13.4	34
	Human Rights	Human Rights Act 2019 ARRs – section 13.5	34
	Queensland public service values	ARRs – section 13.6	9
Governance – risk management and accountability	Risk management	ARRs – section 14.1	31
	Audit and Risk Committee	ARRs – section 14.2	21
	Internal audit	ARRs – section 14.3	32
	External scrutiny	ARRs – section 14.4	33
	Information systems and record-keeping	ARRs – section 14.5	33
	Information security attestation	ARRs – section 14.6	33
Governance – human resources	Strategic workforce planning and performance	ARRs – section 15.1	28
	Early retirement, redundancy and retrenchment	Directive No.04/18 Early Retirement, Redundancy and Retrenchment ARRs – section 15.2	29
Open Data	Statement advising publication of information	ARRs – section 16	IFC
	Consultancies	ARRs – section 31.1	data.qld.gov.au
	Overseas travel	ARRs – section 31.2	data.qld.gov.au
	Queensland Language Services Policy	ARRs – section 31.3	data.qld.gov.au
	Charter of Victims' Rights	VCSVRB Act 2024 ARRs – section 31.4	data.qld.gob.au
Financial statements	Certification of financial statements	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	95
	Independent Auditor's Report	FAA – section 62 FPMS – section 46 ARRs – section 17.2	96-98

FAA Financial Accountability Act 2009

FPMS Financial and Performance Management Standard 2019

ARRs Annual report requirements for Queensland Government agencies

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