

About the financial statements

Note: This does not form part of the audited financial statements

Statement of Financial Performance

The Statement of Financial Performance measures the entity's financial performance over a specific period by comparing revenues received against expenses incurred. Excess revenue over expenses results in an operating surplus, whilst excess expenses over revenue results in an operating deficit.

For the year ended 30 June 2010, the CMC's revenues exceeded expenses by \$1.634m resulting in an operating surplus. Major contributing factors to this surplus included the combined effect of expenditure savings and efficiencies, an increase in interest revenue and funding received for telephone inception (TI) infrastructure to increase TI capability, which will now occur in the 2010–11 financial year.

Statement of Financial Position

The Statement of Financial Position depicts the financial health of an entity at the end of the reporting period. It presents the value of assets held, amounts owing (liabilities), and the equity (net worth) of the entity.

As at 30 June 2010, the CMC's equity increased by its current year operating surplus of \$1.634m. This is represented by an increase in cash holdings.

Assets

Assets are items of value controlled by an entity, and are classed as 'current assets' (such as cash and debtors) or 'non-current assets' (such as property, plant and equipment).

Current assets are those assets that can be readily converted into cash within the next 12 months. The CMC's current assets include cash, receivables/debtors and prepayments.

Non-current assets are those assets that an entity does not expect to convert into cash within the next 12 months.

At 30 June 2010, the CMC's non-current assets of \$15.075m included plant and equipment, leasehold improvements and software (intangibles).

Liabilities

Liabilities are the amounts owed by the entity. They are divided into 'current' and 'non-current' liabilities, depending on how soon the debt is to be settled.

Current liabilities are amounts owing that an entity plans to pay within the next 12 months. For the CMC, current liabilities include payables (creditors), provision for current employee leave entitlements, and the current portion of the lease incentive liability (for the Green Square premises).

Non-current liabilities are those liabilities where an entity has no legal requirement to settle the debt within the next 12 months. The CMC's non-current liabilities relate to non-current employee leave provisions and the non-current portion of the lease incentive liability.

Net assets

This figure is calculated as the difference between total assets and total liabilities, and equals the equity of the entity.

Equity

Equity is the net worth of an entity and is represented by total assets less total liabilities in the Statement of Financial Position. An entity's equity balance is made up of initial capital (contributions), prior years' surplus/deficit and reserves.

The CMC's capital contribution of \$13.944m comprises the closing equity balances of the former Criminal Justice Commission and the former Queensland Crime Commission as at 31 December 2001 (\$4.237m), and the equity injection from government for the Green Square leasehold fitout (\$9.707m).

The accumulated surplus of \$2.135m at 30 June 2010 is derived from the current and prior years' operating results.

Statement of Changes in Equity

The Statement of Changes in Equity details movements in the equity of the agency during the reporting period. The equity balance is affected by the operating result (surplus or deficit) for the period, equity injections or withdrawals, and asset revaluations. For 2009–10, the CMC's equity movement was due to the operating surplus.

Cash Flow Statement

This statement shows the actual movements of cash during the financial year. The cash at the end of the reporting period, as shown in the Cash Flow Statement, equals the cash and cash equivalent amount in the Statement of Financial Position.

Notes to and forming part of the financial statements

The notes explain in more detail particular line items presented in the financial statements. They also disclose other matters such as accounting policies, outstanding commitments at the end of the reporting period, and other financial disclosures. The financial statements should be read in conjunction with the accompanying notes.