

ANNUAL REPORT 2023–2024

**Cross River Rail
Delivery Authority**



2 September 2024

The Honourable Bart Mellish MP
Minister for Transport and Main Roads
and Minister for Digital Services
GPO Box 2644
BRISBANE QLD 4001

Dear Minister

Re: Letter of Compliance

I am pleased to submit for presentation to the Parliament the Annual Report 2023-24 and financial statements for the Cross River Rail Delivery Authority.

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*, and
- Section 72 of the *Cross River Rail Delivery Authority Act 2016*.

A checklist outlining the annual reporting requirements can be found at Appendix 2 of this annual report.

Yours sincerely



Sally Stannard
Chair
Cross River Rail Delivery Board

Accessibility

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This 2023-24 Annual Report provides information about the Cross River Rail Delivery Authority's financial and non-financial performance. It has been prepared in accordance with the *Financial Accountability Act 2009*, *Cross River Rail Delivery Authority Act 2016* and the *Financial and Performance Management Standard 2019*.

Additional information about the Cross River Rail Delivery Authority is available online.

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Message from the Chair

I am pleased to present the Cross River Rail Delivery Authority's 2023-24 Annual Report.

Cross River Rail is just the start of South East Queensland's rail revolution.

By providing a second inner-city river crossing, the transformational project provides the capacity needed at the heart of the network to make other improvements across the region possible, including the Logan and Gold Coast Faster Rail Project and the Direct Sunshine Coast Line.

Of course, Cross River Rail will deliver significant benefits to South East Queensland in its own right.

Not only will it transform travel to, from and through Brisbane in the future, but the project's new high-capacity stations will generate unique opportunities for urban renewal, economic development, and inner-city precinct revitalisation and employment.

It will also be a critical part of ensuring we can move people safely and efficiently around the region during the Brisbane 2032 Olympic and Paralympic Games.

Safety continues to be a top priority and focus for the Board, as significant progress continues on multiple work fronts. It has been great to see such tangible progress in bringing this project to life, including the installation of escalators and platform screen doors in the underground stations.

Integrated delivery is now the key to success. I applaud the significant efforts of our many partners working together on achieving a transport system outcome for Queensland, including across the Tunnel, Stations and Development package, the Rail Integration and Systems Alliance, the European Train Control System Alliance and colleagues across Transport and Main Roads, Queensland Rail and the Cross River Rail Delivery Authority.

I also acknowledge the clear efforts of this team to minimise disruption on the network where possible, and the patience of our customers impacted now, while we construct this exciting project for the future.

The achievements outlined in this year's Annual Report are even more noteworthy when considering the ongoing external impacts, such as supply chain pressures and labour market constraints, that have been affecting the construction industry.

On behalf of the Board, I commend the ongoing efforts of the Delivery Authority to deliver this transformational public infrastructure project.



Sally Stannard

Chair

Cross River Rail Delivery Board

Message from the Chief Executive Officer

Welcome to the Cross River Rail Delivery Authority's 2023-24 Annual Report.

Once operational, Cross River Rail will transform the way we travel across the whole of South East Queensland. Journeys will be quicker door-to-door and there will be capacity to increase train services as our population grows, making public transport more viable and helping to ease congestion on our roads.

Cross River Rail has continued to take shape during 2023-24, amid a backdrop of persistent and unprecedented external pressures being faced by major infrastructure projects across the country. Cross River Rail is not immune to these market challenges, including the cost and supply of materials, pressure on labour availability, hyper escalation, a rapidly evolving industrial relations climate, and impacts on productivity, which we continue to monitor closely.

Despite these ongoing pressures, significant progress has been made at 17 worksites across South East Queensland in the 12 months covered by this report.

The underground stations at Roma Street, Albert Street, Woolloongabba and Boggo Road are well advanced, looking less like construction sites and more like the world-class train stations they will become. Mechanical and electrical fitouts and the installation of escalators, elevators, platform screen doors and essential communications equipment is well underway.

In late 2023, installation commenced on the 15 incredible pieces of artwork that will adorn the underground stations, sourced from 14 of Queensland's most renowned and respected Indigenous artists.

Major works were completed at Rocklea station, allowing it to open in July 2024 and join Fairfield and Yeronga as new fully accessible stations on Brisbane's southside. Works are also continuing on the rebuild of Yeerongpilly and Dutton Park stations and the construction of a new year-round Exhibition station.

On the Gold Coast, major construction continued at Pimpama, work commenced at Hope Island, and site establishment works were completed at Merrimac station. New trackside equipment continued to be installed and tested on the Shorncliffe line for the introduction of the new European Train Control System.

The significant progress made across multiple sites has meant one of Queensland's biggest infrastructure projects has continued to support the state's economy. As at June 2024, 3,800 people were working on the project, and more than 2,300 suppliers and subcontractors had benefitted from the project so far. To date, approximately 90 per cent of the project's spend has been with Queensland companies.

With construction and fitout works at an advanced stage, the focus is beginning to shift towards the project's rigorous testing and commissioning phase. It is an exciting year ahead that will bring this transformational project and its immense benefits another step closer.



Graeme Newton

Chief Executive Officer
Cross River Rail Delivery Authority

Overview

About the Cross River Rail Delivery Authority

Role and main functions

The 2023-24 Annual Report covers the reporting period from 1 July 2023 to 30 June 2024.

The Cross River Rail Delivery Authority's (the Delivery Authority's) primary role is to plan, carry out, promote and coordinate activities to facilitate the efficient delivery of the Cross River Rail project and other related transport projects.

The Delivery Authority works closely with state government partners to deliver value for money and best practice expenditure and acquittal of government infrastructure funds.

The Delivery Authority also has functions to:

- Facilitate the efficient delivery of the Cross River Rail project and transport related projects.
- Ensure provision of and safely manage infrastructure, construction, commissioning, and delivery of the project.
- Manage contractual and other arrangements for the delivery of the project, including ensuring contracts and agreements are performed in accordance with their terms.
- Promote the project.

The functions and powers of the Delivery Authority are set out in the *Cross River Rail Delivery Authority Act 2016* (CRRDA Act). The Delivery Authority is currently not subject to any community service obligations under the CRRDA Act.

Strategic objectives

The Delivery Authority's Strategic Plan 2022 - 2026 confirms the Delivery Authority's objectives to:

- **deliver and facilitate** integrated transformational transport infrastructure development
- **operate** commercially and deliver value-for-money while maintaining strong relationships across sectors and agencies
- **attract and retain** a capable and talented workforce that takes best-for-project and best-for-stakeholder approach.

The Delivery Authority supports the delivery of the following Queensland Government objectives for the community:

- **Good jobs** – Supporting jobs and investing in skills.
- **Better services** – Deliver even better services right across Queensland.
- **Great lifestyle** – Building Queensland.

Project overview

Cross River Rail is the centrepiece of *SEQ Rail Connect* - the government's blueprint for shaping the rail network to meet the future needs of the growing region and will transform travel across the whole of SEQ. Journeys will be quicker, there will be new stations in more convenient locations, there will be capacity to increase train services as the population grows, and public transport will become a more viable option for the whole region, helping to ease congestion on roads.

Cross River Rail is a new 10.2 kilometre rail line from Dutton Park to Bowen Hills, which includes 5.9 kilometres of twin tunnels under the Brisbane River and CBD, and four new high-capacity underground stations at Boggo Road, Woolloongabba, Albert Street and Roma Street.

The project will also deliver two new aboveground stations at Exhibition and Dutton Park.

The Delivery Authority is also undertaking a number of other related rail network, infrastructure and station accessibility upgrades on behalf of the Department of Transport and Main Roads (TMR) and Queensland Rail (QR). These upgrades will provide increased capacity, reliability and safety of the rail network as well as improved passenger and staff accessibility, comfort and convenience. These works include Clapham Yard and Mayne Yard train stabling facility enhancements as well as the accessibility upgrade work at Fairfield, Yeronga, Yeerongpilly, Moorooka, Rocklea and Salisbury stations on Brisbane's southside.

Three new train stations at Pimpama, Hope Island and Merrimac on the Gold Coast are being delivered by the Delivery Authority and will significantly boost capacity on the Gold Coast line to better connect and support the growing Gold Coast communities.

A new world-class signalling system will also be introduced to the SEQ network alongside the Cross River Rail project. The European Train Control System (ETCS) will allow trains to operate closer together, run more efficiently, and with greater safety.

Over the life of the project, Cross River Rail will support more than 7,700 construction jobs, which includes a target of 450 apprentice and trainee opportunities. This new pipeline of skilled workers will help keep the state's rail industry supported now and into the future creating a training legacy for major infrastructure projects.

Project progress and performance

Cross River Rail is into its fifth year of major construction, with 5.9km of twin tunnels now connecting the project's northern portal to the four underground stations at Roma Street, Albert Street, Woolloongabba and Boggo Road through to a southern portal near Dutton Park. The emphasis this year has been on station builds and tunnel fitout.

The Delivery Authority's activities are aligned to a program schedule which integrates key project milestones across the major works packages. Progress and performance of these milestones are tracked through detailed program management processes.

Key construction progress for 2023-24 has included:

- work underway at 17 separate locations across SEQ
- rail installed in every section of the tunnels
- ongoing mechanical and electrical fitout works at each of the underground stations, including installation of escalators, elevators, platform screen doors, and communications equipment
- accessibility station rebuilds completed at Yeronga, Fairfield and Rocklea
- ongoing rebuild works at Yeerongpilly and Dutton Park stations
- early works commenced at Salisbury station
- Mayne Yard North new stabling facility made fully operational
- start of work on new stabling facilities at Mayne Yard East and Clapham Yard
- major construction moving to final fitout for the new Exhibition station
- ongoing construction of the Boggo Road pedestrian and cycle bridge
- major construction at Pimpama station and Hope Island station sites
- early works completed at Merrimac station site with major construction commencing
- trackside signal equipment installed on Shorncliffe line and successful dynamic testing conducted of trains fitted out with new ETCS technology
- successfully undertaking over 100 rail possessions during periods of low passenger demand, to safely and efficiently complete works required to support the delivery of Cross River Rail.

As at the end of the 2023-24 financial year, other key project achievements included:

- managing the compliance of contractors in relation to:
 - ensuring the highest levels of safety were maintained across each of the 17 project worksites
 - retaining the high percentage of local subcontractor and suppliers
 - ensuring commitments to training and apprentice opportunities were maintained
- a workforce of more than 3,800 people working across the sites in June 2024
- over 33 million hours worked across the sites since commencement of construction in 2019. The project continued to perform above industry standards with a Lost Time Injury Frequency Rate (LTIFR) of 0.8 compared to industry LTIFR of 11.2
- over 2,300 supplier and subcontractor companies had contributed to the project, with more than 90 per cent of these being Queensland companies, exceeding local content targets
- 441 trainees and apprentices registered with over 802,000 apprentice/trainee hours undertaken and over 2.24 million training hours across the project.

Queensland Government's objectives for the community

The *Financial Accountability Act 2009* (Qld) (FAA) (section 10) requires the Queensland Government to prepare and table in the Legislative Assembly a statement of the government's broad objectives for the community.

The updated *Statement of the Queensland Government's objectives for the community* was tabled in the Queensland Parliament on 21 October 2022. This document sets out the drivers for the core objectives – Good Jobs, Better Services and Great Lifestyle, as follows:

Good jobs

Good, secure jobs in our traditional and emerging industries

- Supporting jobs
- Backing small business
- Making it for Queensland
- Investing in skills.

Better services

Deliver even better services right across Queensland

- Backing our frontline services
- Keeping Queenslanders safe
- Connecting Queensland
- Educating for the future.

Great lifestyle

Protect and enhance our Queensland lifestyle as we grow.

- Protecting the environment
- Growing our regions
- Building Queensland
- Honouring and embracing our rich and ancient cultural history.

Transforming the way we travel across the whole of SEQ, the Cross River Rail project will generate 7,700

jobs and 450 trainee and apprentice opportunities, and also create urban renewal and precinct development opportunities at each of its major station locations.

These outcomes will support the Queensland Government's objectives for the community by:

- creating good jobs
- delivering new infrastructure and investment
- generating opportunities for Queenslanders to develop the skills they need through the creation of training opportunities on the project.

Agency objectives and performance indicators

Key deliverables 2024-25

In the 2024-25 financial year the Delivery Authority will:

- continue to manage the compliance of the major contractors in their execution of contracts for TSD, RIS, and the ETCS, particularly in relation to:
 - workplace health and safety, to ensure the highest safety levels are maintained across each of the project's worksites
 - maintaining the high percentage of local subcontractor and suppliers to benefit from Cross River Rail
 - achieving the project's commitment of 450 trainee and apprentice opportunities over the life of the project
- continue the station build and tunnel fitout for four new high-capacity underground stations at Boggo Road, Woolloongabba, Albert Street and Roma Street
- continue to deliver the rolling program of significant accessibility upgrade works at the six stations from Fairfield station to Salisbury station
- continue development of two new aboveground stations at Exhibition and Dutton Park
- continue dynamic testing of the ETCS
- finish construction of the new Pimpama station and continue construction of Hope Island and Merrimac stations.

Agency service areas and service standards

The Delivery Authority's service area objective is to lead the procurement, development and delivery of the Cross River Rail project within agreed timeframes.

Service standards	2022-23 Target/Est	2022-23 Actual	2023-24 Actual
<i>Effectiveness measure</i>			
Percentage of Cross River Rail construction works completed within the required timeframe	100%	100%	100%
<i>Efficiency measure</i>			
Administration cost to plan and manage Cross River Rail Project as a percentage of the overall whole of project costs	1.5%	1.5%	1.5%

Note:

1. This measure relates to the proportion of construction work activities completed and planned to be completed each financial year.

2023-24 key achievements

Major works construction progress

Cross River Rail has continued to take shape during 2023-24, amid a backdrop of persistent and unprecedented external pressures being faced by major infrastructure projects across the country. Cross River Rail is not immune to these market challenges, including the cost and supply of materials, pressure on labour availability, hyper escalation, a rapidly evolving industrial relations climate, and impacts on productivity, which are continuing to be monitored.

The extent of impact of these issues on program and project costs remains uncertain, with a key focus on maintaining project momentum.

Tunnel, Stations and Development (TSD)

The TSD package of works includes the 5.9 kilometres of twin underground tunnels and delivery of the four new underground stations at Boggo Road, Woolloongabba, Albert Street and Roma Street.

Following the successful completion of the twin tunnels in 2021, track has been laid in every section of the tunnels between each station and mechanical and electrical fitout works have continued within the tunnels, with cables, pipework, emergency egress walkway, lighting, CCTV and fire detection equipment being installed in both tunnels. Installation of the rigid overhead conductor bar, which will provide power for the trains operating through the tunnels, has also progressed, with the installation north of Roma Street station to the Northern Portal complete.

Works have included completion of the platform and mezzanine in the Woolloongabba station box, completion of Roma Street underpass enhancement works, and completion of precast platform culverts at Boggo Road. Platform screen door (PSD) installation works have also commenced at all four stations, as has the installation of escalators with all PSDs completed at Roma Street and Albert Street stations. Installation of all 24 escalators at Woolloongabba station have been completed.

The underground station at Albert Street is the CBD's first new railway station in more than 120 years and will provide better connectivity to Brisbane's Botanic Gardens, QUT Gardens Point Campus and the new Queen's Wharf development as well as to Elizabeth Street and the Queen Street Mall. Underground progress of the future Albert Street station platforms continues, with the platform constructed, platform escalators installed and track laid alongside the platform.

In early June 2024, works commenced on the first part of the Albert Street 'green spine', the area directly outside the new station between Mary and Elizabeth streets. When complete, the new pedestrianised two block plaza will be a shady subtropical boulevard right in the heart of the CBD.

In January 2024, Cross River Rail's underground Station Art was launched and features 15 pieces of art by 14 of Queensland's most highly renowned and celebrated Aboriginal and Torres Strait artists. The first artwork titled 'Plants, Waters, Gathering Time' by Elisa Jane Carmichael was installed at Woolloongabba station above the escalator, with the remaining artworks being progressively installed at the four underground stations.

Currently under construction, the new pedestrian and cycle bridge at Boggo Road is taking shape. After an extensive consultation process, the new bridge has been called Yamma (pronounced Yumma) which means 'arm' in the Yagara language and provides a fitting name for a critical piece of infrastructure. Yamma Bridge is expected to open in line with the whole of Cross River Rail and will link the new Boggo Road station and Park Road station with the Princess Alexandra Hospital and the South East Busway.

Rail, Integration and Systems (RIS)

The RIS package of works is delivering the design, supply and installation of supporting rail system elements that will help transform the rail network.

At Mayne Yard East, drainage and earthworks are underway to enable future track installation. Between Bowen Hills, Mayne Yard North and Albion station, there are ongoing track formation works, rail bridge protection works, and construction of future signalling and overhead works to enable future track and signalling upgrades.

The Alternate Freight Path, which will be the future Cross River Rail down track, was commissioned at Mayne Yard West to reduce the impact to freight operations arising from RIS works which will continue between Bowen Hills and Albion.

The track and overhead line connection between the Northern Portal and the mainline was also completed to enable trains being able to enter the Cross River Rail tunnel in the future from the surface network. Significant progress was also made in the south to allow a similar future connection from the Southern Portal to the surface network.

Other complementary works being delivered by the project on behalf of TMR and QR, include accessibility upgrades at the southside stations from Dutton Park to Salisbury, a new all year-round station at Exhibition, and a new stabling facility at Clapham Yard. To enable station upgrade works to be completed safely in a live rail environment, stations are being rebuilt on a rolling program of closures.

Works are well underway to construct the new Clapham Yard between Yeerongpilly and Salisbury.

Exhibition station at the RNA Showgrounds was demolished to enable major works on the building of the new year-round Exhibition station. Significant progress has been made at the new Exhibition station with construction is expected to be complete by early 2025.

European Train Control System (ETCS)

ETCS is a proven world-class train signalling system that will deliver a range of important benefits to the SEQ rail network including safety, capacity, efficiency and reliability.

The Delivery Authority continues to work closely with TMR and QR on the ETCS project throughout the delivery, testing and operationalisation phases.

A key milestone was achieved in September 2023 with three first of class trains (SMUs) fitted with ETCS being returned to revenue service.

In May 2024, the first test of New Generation Rollingstock (NGR) fitted with Automatic Train Operation (ATO) was conducted at Shorncliffe. This test demonstrated ATO and successful stopping at a platform without driver intervention and is the first time ATO has been used over ETCS on a passenger network in Australia.

Installation of ETCS equipment into the Cross River Rail tunnels began in January 2024 with control equipment in tunnel rooms and cross passages, and axle counters and balises on the tunnel tracks.

Work on design, ATO integration and testing of the tunnel software using the Shorncliffe track is ongoing, as well as installation and testing at the Super Systems Integration Lab at Dutton Park.

Cross River Rail workforce

Cross River Rail continues to play an important role in Queensland's economic activity and is a key enabler for Queensland long-term economic growth.

As at 30 June 2024, there were 3,800 workers across 17 sites in Brisbane and on the Gold Coast and over the life of the project construction will support more than 7,700 jobs.

More than 2,300 suppliers and subcontractors have benefitted from working across our three main contracts with a combined spend of over \$6 billion as at end of June 2024. To date, approximately 90 per cent of the spend has been with Queensland companies.

A target for the project includes 450 apprentice and trainee opportunities, with 441 apprentices and trainees registered with the project to date. This new pipeline of skilled workers will help keep the state's rail industry supported now and into the future; creating a training legacy for major infrastructure projects.

Dutton Park to Salisbury stations

On behalf of TMR, the Delivery Authority is delivering extensive rebuild works at seven southside stations including Dutton Park, Fairfield, Yeronga, Yeerongpilly, Moorooka, Rocklea, and Salisbury stations on Brisbane's southside.

To enable station upgrade works to be completed safely in a live rail environment, stations are being rebuilt on a rolling program of closures.

The upgrades include passenger lifts, designated accessibility parking bays, new station buildings and facilities, pedestrian overpasses, kiss-n-ride drop off facilities and bike enclosures as well as raised platform heights, to reduce the vertical step gap between the train's treadplate and the platform, will also be delivered at each station. A third platform will also be delivered at the six stations from Fairfield to Salisbury as part of these works.

Major construction work on Rocklea station continued throughout 2023-24 and on 8 July 2024, it reopened to the public and train services, with some minor completion works to continue until late 2024.

With Rocklea station reopening, the Delivery Authority has now delivered three fully upgraded and accessible stations following the completion of Yeronga station in 2022 and Fairfield station in 2023.

At Dutton Park, a new station is being built with platform and accessibility enhancements including lifts, accessible parking, accessible entry points and footpaths, kiss-n-ride facilities, improved wayfinding, two new high-level platforms, and a new pedestrian connection to Annerley Road.

Yeerongpilly station closed to the public on the 18 September 2023, to enable the delivery of accessibility and station building and facilities upgrades.

While Salisbury station is still operational, early works have commenced including the construction of the third platform and utilities.

While Yeerongpilly and Dutton Park stations are currently closed to the public for significant construction works, a dedicated high frequency bus service ensures continuity of services for rail customers.

The stations are planned to be progressively operational in the lead up to Cross River Rail services.

New Gold Coast Stations (NGCS)

On behalf of TMR, the Delivery Authority is delivering three new stations for the Gold Coast at Pimpama, Hope Island and Merrimac. Once complete, the stations will significantly boost capacity on the Gold Coast line.

During 2023-24 early works at Pimpama were complete which included a new signalised intersection adjacent to Pimpama station and construction of the station access road. The principal contractor on-site, ADCO Constructions has continued station construction activities at Pimpama. A significant milestone achieved during the year was installation of the new pedestrian overpass in April 2024. Work on the station platforms and carpark are progressing well and the station is expected to be open in 2025.

Acciona Georgiou Joint Venture (AGJV) was awarded the contract to design and construct Hope Island station. Major construction is underway with piling works, pier construction and platform girders commenced in the rail corridor, while relocation of utilities has enabled carpark pre-loading.

Fulton Hogan was awarded the contract to design and construct Merrimac station and site establishment is complete. Fulton Hogan has commenced major construction activities, while the station design continues to be further refined.

The Hope Island and Merrimac stations are scheduled to be open in time for the first Cross River Rail services to the Gold Coast.

As part of the Delivery Authority's commitment to the design and construction of accessible stations, a specific Gold Coast Stations Accessibility Reference Group was established in 2021. The Delivery Authority continues to consult with the group to ensure all three stations are accessible to all members of the public.

Accessibility and station co-design

Throughout 2023-24, the Delivery Authority has continued to consult with its Accessibility Reference Group (ARG) each month, including site visits to ensure best practice accessibility outcomes are achieved and Cross River Rail is creating a legacy of inclusive design.

Station accessibility upgrades to existing stations will include passenger lifts, designated accessibility parking bays, and pedestrian overpasses making these stations accessible to everyone.

The first stations to demonstrate the positive outcomes of ARG collaboration were Yeronga station and Fairfield stations, which were both completed in 2023 and Rocklea station which was completed in 2024. These stations included platform gap fillers, also known as 'rubber fingers', which reduce the gap between the platform and the train, supporting customers with accessibility needs and small children to get on and off the train. The fingers also improve efficiency at stations by removing the hesitation of stepping over a gap, increase the ease of wheelchair access on and off the train, and are designed to prevent damage to trains.

Other features that were a direct result of consultation at the stations included through lifts, new accessible parking spaces, new compliant road crossings at both station entrances, braille and tactile station maps, two wheelchair waiting spaces at every priority seat location, emergency call visual indicators in lifts, a unisex accessible toilet located in the station building, additional full-length mirrors in accessible bathrooms and hearing loops.

As part of these station completions, the ARG was invited to undertake station familiarisation sessions, and local community and disability groups were invited to education sessions to better understand the new station features. Groups that attended included: Deaf Connect, Vision Australia, Council of the Ageing, Braille House and The Village Retirement Home.

The Delivery Authority also continues to engage on NGCS designs. Accessibility features of these stations have been co-designed through early engagement with the ARG. The co-designed outcomes included longer accessibility car parks, animal toileting areas, kiss 'n' ride and carpark layouts, unisex accessible toilets and shared paths.

The Delivery Authority works in collaboration with TMR and QR to ensure a consistent approach to accessibility across the network, to learn from other transport infrastructure projects and also provide learnings to future transport infrastructure projects. With this principle in mind, the Delivery Authority developed a toolkit for Embedding Accessibility Co-design into the Delivery of Public Transport Infrastructure, which was shared with QR and TMR and has now been made publicly available.

The Delivery Authority is committed to ensuring best practice accessibility outcomes and will continue this engagement through to operations.

Cross River Rail Education Program

The Delivery Authority has developed a Cross River Rail Education Program to teach students about one of the state's largest infrastructure project and how it is reshaping SEQ and its public transport network.

The project's engagement with schools through this program provides a greater awareness of the complexities involved in the construction of an infrastructure project of this size and promotes better understanding of career and training opportunities with Cross River Rail and the infrastructure sector.

The Delivery Authority has developed the program to align with the Queensland curriculum on topics such as Cities of the Future, the Science of Tunnelling, Liveability and specific subjects including maths and engineering, archaeology, art and geography.

In 2023-24, more than 2,100 students and over 375 teachers visited the centre and participated in the Cross River Rail Education Program. This program was delivered through workshops, educational challenges, constructed units of study, and presentations from industry experts.

While the program is primarily delivered in the project's purpose-built Cross River Rail Experience Centre (Experience Centre), the program has inbuilt portability enabling the Delivery Authority to take education focussed materials and resources to schools and the wider community. In 2023-24, Delivery Authority staff also visited external education facilities to deliver the program to more than 1,000 students and 150 educators.

Community engagement activities

A range of communications activities are undertaken by the Delivery Authority and its major contractors to inform the community about the project's progress and activities, particularly in relation to construction works and disruptions.

In 2023-24, the Delivery Authority and its major contractors undertook close to 3,775 separate engagements with the community and key stakeholders related to construction activities, which reached more than 502,687 people. Of these engagements 84 per cent were proactive engagements and consisted of doorknocking local residents and businesses, distributing works notifications, face-to-face meetings, information sessions, telephone and email communication.

In addition to this, the Cross River Rail website and social media channels continued to be critical conduits for communicating with the public for both project progress as well as construction disruption. In 2023-24, more than 331,000 individuals visited the Cross River Rail website and social media channels obtained over 39 million audience impressions.

The Experience Centre also plays a critical role in ensuring that the community can learn more about what Cross River Rail is, why it is being built, and how construction is progressing.

The Experience Centre is operated in partnership with the Queensland Museum, provides a hub for Cross River Rail's far-reaching schools education program, and has become a valued workspace for a wide variety of industry groups and local community organisations.

Since opening in September 2019, the Experience Centre has received over 45,000 visitors.

The Reconciliation Action Plan (RAP) and RAP Working Group

The Reconciliation Action Plan Working Group (RAP WG) has continued to thrive since it was first established and now has a membership of over 20 people from across the organisation. This financial year, the group held 12 meetings.

The RAP WG is committed to fostering relationships, respect, and opportunities for First Nations people through the implementation of the Innovate RAP, while ensuring governance and cultural awareness is maintained within the Delivery Authority.

National Reconciliation Week (NRW) and NAIDOC Week continue to be considered opportunities for the Delivery Authority to engage with both First Nations and non-First Nations partners by attending, supporting and organising cultural events.

Throughout the year a variety of internal celebration and educational activities of First Nations culture were undertaken, particularly during NRW and NAIDOC weeks. Activities included a First Nations panel, lunch and learn conversations and resources for staff to read or watch on The Hub.

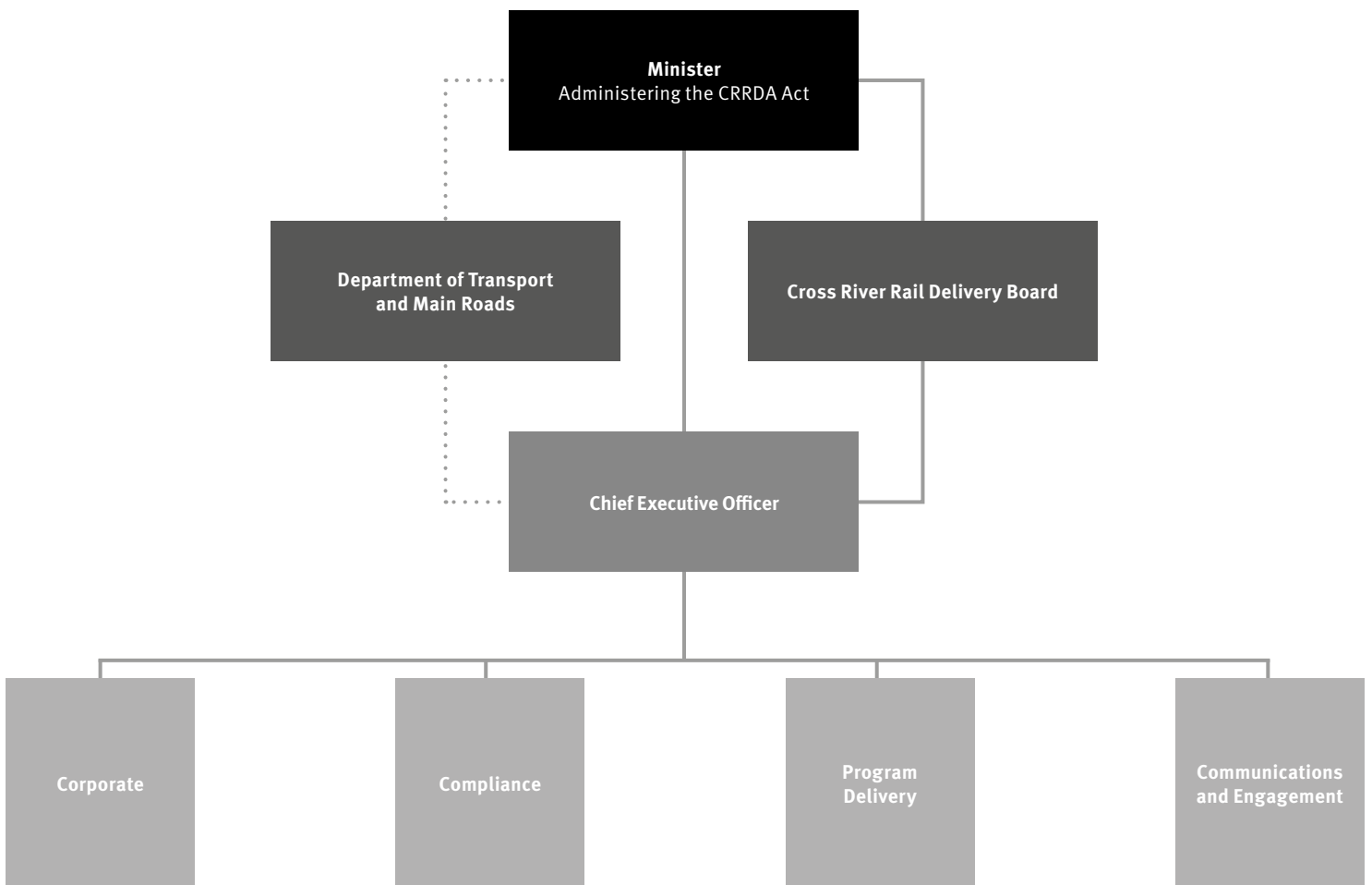
In 2023-24, the Delivery Authority was proud to launch Cultural Awareness Training, with 151 staff participating in the face-to-face sessions during the financial year.

The Delivery Authority is in the process of drafting its next Innovate RAP document.

Governance

Governance – management and structure

The Delivery Authority is structured to support the efficient and focused delivery of the Cross River Rail project.



Cross River Rail Delivery Board

The Cross River Rail Delivery Board (Board) is established under the CRRDA Act to ensure the proper, efficient, and effective performance of the Delivery Authority's functions and to report to the Minister on its performance.

The Board is comprised of the following senior government officials:

- Ms Sally Stannard (Chair), Director-General, Department of Transport and Main Roads
- Mr Mike Kaiser, Director-General, Department of the Premier and Cabinet
- Mr Michael Carey, Under Treasurer, Queensland Treasury
- Mr Peter Milward, Acting Deputy Director-General, Translink, Department of Transport and Main Roads
- Ms Julie Mitchell, Deputy Director-General, Infrastructure Management and Delivery, Department of Transport and Main Roads
- Ms Tess Pickering, Deputy Director-General, State Planner, Department of Housing, Local Government, Planning and Public Works.

There were seven Board meetings between 1 July 2023 and 30 June 2024. Further details regarding Board members and meetings are provided at Appendix 1.

In addition to formal Board meetings, regular Board briefings provide Board members and / or their nominated representatives the opportunity to receive regular project updates. Six Board briefings were held between 1 July 2023 and 30 June 2024.

The Board members received no remuneration for their Board positions.

Former Board Members

Ms Rachel Hunter, former Director-General, Department of the Premier and Cabinet, was a Board member from 8 May 2021 to 15 December 2023.

Ms Maryanne Kelly, former Acting Under Treasurer, Queensland Treasury, was a Board member from 16 February 2023 to 7 September 2023.

Chief Executive Officer

Appointed 18 September 2017

Graeme Newton has led the Cross River Rail Delivery Authority as its Chief Executive Officer since 2017.

Prior to taking the helm of the Delivery Authority, Graeme has had extensive senior executive experience leading large and complex, high profile, multi-billion-dollar infrastructure projects within both the private and public sector.

He was appointed by the Queensland Premier as the first Chief Executive Officer of the Queensland Reconstruction Authority in 2011 and prior to that served as both Director-General for Infrastructure and Planning and the Queensland Government Coordinator-General. Graeme has also been awarded both a National Award for Excellence and the QUT Outstanding Alumni Award.

In his current role at Cross River Rail, Graeme takes great pride in leading high performing teams that continue to set new benchmarks for integrated delivery, safe construction, collaborative partnerships, and technological innovation.

People and Culture Committee

The purpose of the People and Culture Committee is to assist the Delivery Authority's Chief Executive Officer to fulfil corporate governance and oversight obligations in relation to internal human resources policies and practices that enable strong organisational culture, performance and people risk management.

Members of the Committee included:

- Head of People and Culture
- Chief Financial Officer
- General Manager, Communications and Engagement
- Program Delivery Director
- Director, Governance and Reporting.

Other executive management level delegates may attend as proxies if required. During 2023-24, 12 meetings were held.

Public Sector Ethics Act 1994

The Delivery Authority has developed and implemented a Code of Conduct which is aligned to the principles and values outlined in the *Public Sector Ethics Act 1994*.

The Code of Conduct provides staff with a framework to ensure the Delivery Authority's high professional standards are maintained. The Code of Conduct has been provided to staff and is included in the online onboarding process for new staff, along with a range of compliance modules.

The Delivery Authority's human resource management procedures and practices are aligned to the Code of Conduct.

The Delivery Authority has also developed a probity framework with key objectives and principles including independency, transparency, equity, confidentiality, security and accountability. Probity requirements, including confidentiality, are included in employee contracts and the onboarding and offboarding process.

Human Rights Act 2019

Section 97 of the *Human Rights Act 2019* requires relevant agencies to report in their annual report on certain matters, including:

- details of actions to further the objects of the Act
- human rights complaints received
- details of reviews undertaken for compatibility with human rights.

The Delivery Authority worked with the Department of Justice and Attorney-General to ensure training was provided to all staff to raise awareness of their duties under the Act. Specialist training was also provided to staff in significant decision-making roles. New staff receive training on the Act as part of their onboarding process.

No complaints relating to the Act were received by the Delivery Authority during the reporting period.

The Delivery Authority reviewed the amendments to the CRRDA Act proposed in the Justice and Other Legislation Amendment Bill 2023 for compatibility with human rights and concluded the amendments were not incompatible. No other reviews were undertaken.

Risk management and accountability

Risk management

The Delivery Authority's Risk Management framework assesses risks at the strategic, program and operational levels. All risks are assigned controls, and the adequacy of these controls is assessed across the three lines of defence through project and functional testing, internal compliance, and assurance reporting, as well as internal and external audit. The strategic risks are reviewed annually by the Finance, Audit and Risk Management Committee (FARMC), Executive Management Team, and the Board.

The Delivery Authority's internal assurance function serves as a central point for the conduct, collection, and coordination of all assurance activities across the Delivery Authority.

Finance, Audit and Risk Management Committee

The purpose of the FARMC is to assist the Delivery Authority's Chief Executive Officer discharge duties as they relate to finance, risk and assurance in accordance with the *Auditor-General Act 2009*, the *Financial Accountability Act 2009*, and the Financial and Performance Management Standard 2019.

As at 30 June 2024, the Committee members were:

- Dr Peter Wood (Chair), independent member
- Mr Peter Sheehan, independent member
- Chief Compliance Officer, Delivery Authority.

The Chief Executive Officer, Chief Financial Officer, and Queensland Audit Office have standing invitations to attend all FARMC meetings. Other Delivery Authority officers are invited to attend meetings as required.

During the 2023-24 financial year four FARMC meetings and a briefing were held, and one flying minute was considered. Independent members are entitled to be paid a fee per meeting plus relevant allowances and reimbursements. Costs associated with independent members' fees as at 30 June 2024 totalled \$26,400 (GST exclusive).

In July 2024, new independent member Mark Girard was appointed and commenced as Chair of FARMC. Independent members Dr Wood and Mr Sheehan, and the Delivery Authority's Chief Compliance Officer, were reappointed. FARMC's membership was updated to comply with committee composition requirements as detailed in Queensland Treasury's Audit Committee Guidelines.

Former Committee Members

The Executive Director, Executive Services, of the Delivery Authority was a FARMC member from 30 May 2022 to 19 June 2024.

Key Achievements for 2023-24

- Endorsed the financial statements for 2023-24 and considered the ongoing financial position of the Delivery Authority and Cross River Rail project finances.
- Received and considered updates in relation to ongoing market challenges, contractual negotiations, and industrial relations matters, and their impact on project progress.

- Considered the ongoing risk management, financial management, compliance and assurance activities of the Delivery Authority, including compliance with the Delivery Management Framework Deed, and the Delivery Authority's policy map.
- Endorsed the 2024-25 annual budget and revisions to the Financial Management Practice Manual.
- Received and considered external audit reports issued by the Queensland Audit Office, including monitoring implementation of agreed actions against recommendations made, and endorsed the annual external audit plan.
- Endorsed the internal audit forward schedule and monitored internal audit activities including implementation of recommended actions.

Internal audit

The Delivery Authority has established strong internal audit policies and procedures, which align with the requirements set out in Financial and Performance Management Standard 2019, as well as Queensland Treasury guidelines. The Delivery Authority has established an external panel of auditors to undertake internal audits in accordance with the Internal Audit Plan. The Internal Audit Plan is approved by the FARMC. The conduct and performance of the internal auditors from the panel is managed in accordance with the Delivery Authority's Internal Audit Charter.

The internal audit program for the 2023-24 financial year was endorsed by the FARMC to ensure the Delivery Authority continues to comply with Queensland public sector audit and accountability requirements.

External audits and reviews

The Queensland Audit Office conducted the annual audit of the 2023-24 financial statements and their report is included with the financial statements.

The Auditor-General tabled the *Major Projects 2023* report in Parliament on 14 December 2023. As a major project, Cross River Rail featured in the report.

In reference to the Cross River Rail project, the Auditor-General:

- did not make any specific recommendations for the Cross River Rail project
- noted that the rising costs of supplies and supply chain issues had affected the delivery of the project and project milestones, resulting in a revised budget and program
- recognised the major construction progress that had been made during 2022-23, including completion of rail installation, cabling works and permanent lining in the tunnels, completion and handover of Mayne Yard North train stabling facility, completion of upgrades to Yeronga station, and continued progress with testing and fitting signalling systems onto trains.

The report also recognised that the large volume of capital projects in the pipeline for Queensland, along with other significant capital projects underway across Australia, means the construction sector will face several challenges for years to come.

The Queensland Government's Gateway Review Process allows for the Cross River Rail project's progress and quality to be assessed through a series of gateway reviews led by independent reviewers. The reviews help ensure the Cross River Rail project (and associated investment) meets government's strategic objectives and achieves value for money.

The next gate defined under the Gateway Review Process is Gate 4 and focusses on 'the readiness of the agency to transition from project delivery to the live environment'.

In the interim, the Delivery Authority continues to undertake regular Inter-Gateway Reviews of key activities during the delivery phase of the Cross River Rail project, utilising independent panels comprising external experts.

Information systems and record keeping

The Delivery Authority has established a mature electronic Document Records Management System (eDRMS) as part of its own internal systems. The Delivery Authority continues to ensure records are maintained in accordance with applicable legislation and standards and undertakes regular document control reviews and employee training on the management of the system.

During 2023-24 the following activities improved recordkeeping practices:

- Introduction of an enhanced eDRMS functionality through a system upgrade.
- Review of information management policies and procedures.
- Information management and records management training across the Delivery Authority.

Information Security attestation

The Delivery Authority continues to mature its security posture to address the evolving global cyber threat landscape. The focus of security outcomes is directed to supporting information confidentiality and ICT systems integrity.

Specific programs of work included:

- A review and uplift of the Information Security Management System (ISMS) in line with the Queensland Government Information Security Policy 18.
- Projects to address cyber security technology priorities in line with the Australian Signals Directorate Essential 8 recommended controls to mitigate key cyber security risks.

During the mandatory annual Information Security reporting process, the Chief Executive Officer attested to the Queensland Government Chief Information Security Officer on the appropriateness of the information security risk management within the Delivery Authority, noting that appropriate assurance activities have been undertaken to inform this opinion and the Delivery Authority's information security risk position.

Human resources

Safety, health and wellness

Safety is the number one priority for Cross River Rail – at site, in the rail corridor or within the office environment. The Delivery Authority’s safety policy and training and induction processes ensure all staff are trained in the identification and rectification of hazards and incidents, in compliance with the *Work Health and Safety Act 2011*.

The Delivery Authority’s Compliance Unit and Safety Director work closely with the major works contractors to ensure the highest levels of safety are maintained at site. In the 33 million hours worked across the 17 active worksites on the project to 30 June 2024, 27 lost time injuries (LTIs) had been recorded. The project continues to perform above industry safety standards with a lost time injury frequency rate (LTIFR) of 0.8 compared to industry LTIFR of 11.2.

While the project’s safety record is significantly better than industry averages, an incident in late July 2023 at the Cross River Rail project’s Boggo Road worksite occurred when a scaffolder fell from height, sustaining critical injuries. The project’s contractors undertook a Safety Reset and assisted Workplace Health and Safety Queensland in the investigation into the incident, and a thorough safety review was conducted across multiple sites.

In 2023-24, the project refreshed its ‘*Hands are for life*’ campaign to highlight the importance of hand safety. The campaign is based on five key messages: Right Tools; Ask a Mate; Don’t Rush; Right Gear; and Think Twice.

In 2023-24, the Delivery Authority continued to deliver health and wellbeing programs in line with the Delivery Authority’s Health and Wellbeing Framework. Key initiatives throughout the year included:

- Implemented a Building Resilience Program focussed on evidence-based principles and concepts to develop and sustain positive mental health. The program consisted of two modules to improve personal resilience and strengthen team resilience. During 2023-24, 45 staff attended the personal module and 123 staff attended the team resilience module.

- Implemented on-site skin cancer checks for staff, with 83 people taking up the opportunity.
- Continued to provide staff with support for work, health or life concerns through the Employee Assistance Program with 23 individual sessions occurring during the year, the same number as the previous year.

The Delivery Authority also continued to deliver its Safety Culture Program to all new staff in 2023-24. The program is designed and tailored to reinforce the importance of safety across the organisation and is delivered by online e-learning modules followed by a face-to-face practical session.

Delivery Authority employees use flexible work arrangements such as job sharing, compressed work hours, variable start and finish times and part-time, to support a healthy work-life balance. Employees are provided with regular information sessions, webinars and newsletter articles on a range of topics provide by the Delivery Authority’s Employee Assistance Program provider and QSuper.

The Delivery Authority supports the principles underlying equal employment opportunities and actively ensures that its work environment adheres to the principles of anti-discrimination and the prevention of all forms of workplace harassment and bullying.

Staff numbers

The Delivery Authority engages employees directly and may also engage officers on secondment and interchange from other Queensland Government entities under the CRRDA Act.

The number of employees (including full-time and part-time employees) measured on a full-time equivalent (FTE) basis was 230 as at 30 June 2024.

Early retirement, redundancy and retrenchment

The Delivery Authority has had no early retirements or voluntary redundancies, and three redundancies for the reporting period 1 July 2023 to 30 June 2024 associated with project requirements changing and the roles no longer being required.

Employee performance management framework

The Delivery Authority has a performance development planning framework to align people, performance to the objectives of the project and identify development opportunities for all employees.

The Delivery Authority also has a People and Culture Strategy, which includes a range of leadership, performance management and learning and development initiatives. New employees are inducted using a blended learning approach including face-to-face and an online system.

Strategic workforce planning and performance

The People and Culture Strategy guides a positive and healthy workplace culture that empowers staff to make sound commercial and strategic decisions, and attracts, and retains a skilled, diverse and capable workforce. The Delivery Authority has developed a workforce plan in line with the integrated targeted schedule allowing a capable and experienced workforce to be in place to deliver the project.

Open Data

The Queensland Procurement Policy requires the Delivery Authority publish details of awarded contracts valued at \$10,000 and over.

There were no consultancy engagements during 2023-24.

The Delivery Authority reports overseas travel information and interpreter services through the open data portal as required.

Financial Performance Summary

The financial statements included in this Annual Report provide specific information about the Delivery Authority's activities for the year ended 30 June 2024 and its financial position at the end of that period.

Operating result

The Delivery Authority's operating profit for 2023-24 was \$1.18 million. This income resulted from additional state funding received in 2023-24.

Revenues

Revenue relates to funding from Queensland Treasury for non-capital expenditure of the Delivery Authority and the reimbursement of ETCS, NGCS, Integration, Roma Street Station Enhancement, and Complementary and Associated project expenditure. Reimbursement is received from QR and TMR.

Expenses

Expenses relate to non-capital employee and supplies and services expenditure for the Cross River Rail project, project expenditure relating to ETCS, Integration, Roma Street Station Enhancement, Complementary and Associated projects, and expenditure related to planning, design and construction work for the NGCS.

Assets

Assets includes project costs that are capitalised and included in property, plant and equipment as capital work in progress to the extent they are directly attributable to the construction of the infrastructure assets.

Assets also include prepaid project related Principal Arranged Insurance (PAI) and GST refundable from the Australian Taxation Office.

Liabilities

Liabilities include creditors, accrued employee benefits and other payables including land settlement costs associated with the project.

The finance liability reflects the upfront funding for the construction costs of the TSD Package by Pulse. The upfront funding will be settled (as part of the State Contributions and Quarterly Service Payments paid by the Delivery Authority) across the Design & Construct (D&C) Phase and the Service Phase for the TSD Package.

Equity

Equity includes non-appropriated equity injections from Queensland Treasury in relation to project funding.

CROSS RIVER RAIL DELIVERY AUTHORITY

ABN 21 542 690 798

Annual Financial Statements

For the year ended 30 June 2024

CROSS RIVER RAIL DELIVERY AUTHORITY

Financial Statements For the year ended 30 June 2024

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CROSS RIVER RAIL DELIVERY AUTHORITY

**Statement of Comprehensive Income
For the year ended 30 June 2024**

	Note	2024 \$'000	2023 \$'000
Income from operations			
Grants revenue	2	115,649	81,076
Reimbursement income	3	565,803	369,189
Gain on modification of borrowings	16	-	3,966
Total income from operations		681,452	454,231
Expenses from operations			
Employee expenses	4	16,127	14,828
Supplies and services	6	552,612	357,844
Capital grant expense	7	25,053	11,143
Borrowing costs	8	85,227	69,933
Other expenses	9	1,253	484
Total expenses from operations		680,272	454,232
Net result for the year		1,180	(1)
Total comprehensive income/(loss)		1,180	(1)

The above statement should be read in conjunction with the accompanying notes and significant accounting policies.

CROSS RIVER RAIL DELIVERY AUTHORITY

Statement of Financial Position As at 30 June 2024

	Note	2024 \$'000	2023 \$'000
Current assets			
Cash and cash equivalents	10	15,002	29,540
Trade and other receivables	11	230,171	186,217
Other assets	14	4,495	10,927
Total current assets		249,668	226,684
Non-current assets			
Trade and other receivables	11	282,261	197,034
Property, plant and equipment	12	6,582,725	5,636,992
Right-of-use assets	13	777	2,427
Other assets	14	5,385	2,891
Total non-current assets		6,871,148	5,839,344
Total assets		7,120,816	6,066,028
Current liabilities			
Trade and other payables	15	157,525	120,434
Borrowings	16	447,586	414,895
Lease liabilities	17	908	1,708
Accrued employee benefits		1,500	1,285
Total current liabilities		607,519	538,322
Non-current liabilities			
Borrowings	16	2,279,486	1,959,335
Lease liabilities	17	-	330
Total non-current liabilities		2,279,486	1,959,665
Total liabilities		2,887,005	2,497,987
Net assets		4,233,811	3,568,041
Equity			
Contributed equity	18	4,232,764	3,568,174
Accumulated surplus/(deficit)		1,047	(133)
Total equity		4,233,811	3,568,041

The above statement should be read in conjunction with the accompanying notes and significant accounting policies.

CROSS RIVER RAIL DELIVERY AUTHORITY

**Statement of Changes in Equity
For the year ended 30 June 2024**

	Note	Accumulated surplus/ (deficit) \$'000	Contributed equity \$'000	Total \$'000
Balance as at 1 July 2022		(132)	2,773,728	2,773,596
Net result for the year		(1)	-	(1)
Transactions with owners as owners:				
Non-appropriated equity injections	18	-	794,446	794,446
Balance at 30 June 2023		(133)	3,568,174	3,568,041
Balance as at 1 July 2023		(133)	3,568,174	3,568,041
Net result for the year		1,180	-	1,180
Transactions with owners as owners:				
Non-appropriated equity injections	18	-	664,590	664,590
Balance at 30 June 2024		1,047	4,232,764	4,233,811

The above statement should be read in conjunction with the accompanying notes and significant accounting policies.

CROSS RIVER RAIL DELIVERY AUTHORITY

Statement of Cash Flows For the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
Cash flows from operating activities			
<i>Inflows:</i>			
Receipts from government grants		30,422	11,143
Receipts from customers		490,182	392,786
Goods and Services Tax (GST) input tax credits from Australian Taxation Office (ATO)		161,471	119,214
GST collected from customers		38,636	33,657
<i>Outflows:</i>			
Payments to employees		(16,904)	(15,040)
Payments to suppliers		(544,429)	(313,967)
GST paid to suppliers		(130,843)	(149,178)
GST remitted to ATO		(37,564)	(32,418)
Net cash (used in)/provided by operating activities		(9,029)	46,197
Cash flows from investing activities			
<i>Outflows:</i>			
Payments for capital work in progress and property, plant and equipment		(345,344)	(598,760)
Net cash used in investing activities		(345,344)	(598,760)
Cash flows from financing activities			
<i>Inflows:</i>			
Non-appropriated equity injections	18	664,590	794,446
<i>Outflows:</i>			
Borrowing redemptions	16	(324,755)	(553,563)
Net cash provided by financing activities		339,835	240,883
Net decrease in cash and cash equivalents		(14,538)	(311,680)
Cash and cash equivalents at beginning of reporting period		29,540	341,220
Cash and cash equivalents at end of reporting period		15,002	29,540

The above statement should be read in conjunction with the accompanying notes and significant accounting policies.

CROSS RIVER RAIL DELIVERY AUTHORITY

Statement of Cash Flows For the year ended 30 June 2024

Notes to the Statement of Cash Flows

Reconciliation of operating result to net cash (used in)/provided by operating activities

	Note	2024 \$'000	2023 \$'000
<i>Net result for the year</i>		1,180	(1)
<i>Non-cash items included in operating result:</i>			
Capital grant expense	7	25,053	11,143
Borrowing costs	8	85,227	69,933
Gain on modification of borrowings	16	-	(3,966)
Depreciation expense	12	16	78
<i>Changes in assets and liabilities:</i>			
Increase in trade and other receivables		(160,849)	(46,337)
Decrease/(increase) in GST input tax credits receivable		31,700	(28,725)
Increase in annual leave reimbursement receivables		(35)	(158)
Decrease/(increase) in long-service leave reimbursement receivables		3	(36)
Decrease/(increase) in other assets		3,938	(4,056)
Increase in trade payables and other liabilities		4,523	48,091
Increase in accrued employee benefits		215	231
Net cash (used in)/provided by operating activities		(9,029)	46,197

The above statement should be read in conjunction with the accompanying notes and significant accounting policies.

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to the Financial Statements For the year ended 30 June 2024

1. Basis of financial statement preparation

(a) General information

The Cross River Rail Delivery Authority (Delivery Authority) was established under the *Cross River Rail Delivery Authority Act 2016* (the Act) on 14 April 2017 and is a Statutory Body under the *Financial Accountability Act 2009* and *Statutory Bodies Financial Arrangements Act 1982*. The Delivery Authority was established to lead the development, procurement, and delivery of the Cross River Rail Project (the Project) and other transport-related projects. It is controlled by the State of Queensland, which is the ultimate parent.

The head office and principal place of business of the Delivery Authority is 150 Mary Street, Brisbane QLD 4000.

(b) Compliance with prescribed requirements

The financial statements have been prepared in compliance with the *Financial Accountability Act 2009*, the *Financial and Performance Management Standard 2019* and the Financial Reporting Requirements for Queensland Government Agencies (Financial Reporting Requirements) as applicable to statutory bodies. These general purpose financial statements are 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 (AASs) and Interpretations applicable to not-for-profit entities.

The Delivery Authority controls the operations, liabilities and assets which relate directly to the development, procurement, and the delivery of the Project. Costs which are directly attributable to the construction of the Project are recognised as capital work in progress (CWIP) until such time as the asset is complete and available for use as intended by management in accordance with AASB 116 *Property Plant and Equipment*.

(c) Critical judgements and estimates

The preparation of financial statements requires the use of accounting estimates, which may differ to actual results. Management exercises judgement in applying the Delivery Authority's accounting policies. Significant estimates and judgement are included in the following notes:

Note 7 - Capital grants expense is based on estimated forecast cashflows to complete the returned works to non-Queensland Government entities.

Note 12 - Property, plant and equipment - CWIP is initially valued at cost and includes estimates of labour and an appropriate proportion of overheads excluding administration costs; estimated cashflows have been applied with the recognition of CWIP for the Tunnel, Stations and Development (TSD) package.

Note 16 - Borrowings - finance liability relates to the project costs incurred in relation to the TSD Public Private Partnership package and is measured at amortised cost using the effective interest rate.

(d) Presentation

Currency and rounding

Amounts included in the financial statements are in Australian dollars and have been rounded to the nearest \$1,000 unless disclosure of the full amount is specifically required.

Comparatives

Comparative information reflects the audited 2022-23 financial statements except where amounts were reclassified to be consistent with the disclosures in the current reporting period.

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to the Financial Statements For the year ended 30 June 2024

1. Basis of financial statement preparation (continued)

(d) Presentation (continued)

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 where the Delivery Authority does not have an unconditional right to defer settlement to beyond 12 months after the reporting date.

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

(e) Taxation

The Delivery Authority is exempt from income tax under the *Income Tax Assessment Act 1936* and is exempt from other forms of Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). GST credits receivable from and GST payable to the Australian Taxation Office (ATO) are recognised in Note 11. Revenues, expenses, and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the ATO. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST. The Delivery Authority pays payroll tax to the Queensland Revenue Office on its activities and pays FBT to the ATO in accordance with the relevant legislation.

(f) Insurance

The Delivery Authority's non-current physical assets and other risks are insured through the Queensland Government Insurance Fund (QGIF), Principal Arranged Insurance (PAI), and Directors and Officers Liability, in which premiums are paid on a risk assessment basis. The Delivery Authority is currently insured to cover contract works, delay in start-up, public and products liability, professional indemnity and directors' and officers' liability.

(g) Authorisation of financial statements for issue

The financial statements were authorised for issue by the Chair and Chief Executive Officer (CEO) at the date of signing the management certificate.

(h) Going concern

The financial statements have been prepared on a going concern basis in accordance with AASB 101 *Presentation of Financial Statements*. As the Delivery Authority is fully funded by the State Government through equity injections there is no risk associated with the Delivery Authority's ability to pay its liabilities as and when they are due, and no impact on the Delivery Authority's ability to continue as a going concern. The Delivery Authority also receives additional funding from the Department of Transport and Main Roads and Queensland Rail for the work packages that the Delivery Authority is delivering on their behalf.

(i) Climate-related and other emerging risks

The State of Queensland, as the ultimate parent of the Delivery Authority, has published a wide range of information and resources on climate-related risks, strategies and actions accessible via

<https://www.energyandclimate.qld.gov.au/climate>

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to the Financial Statements For the year ended 30 June 2024

1. Basis of financial statement preparation (continued)

(i) Climate-related and other emerging risks (continued)

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>.

(j) Impact of new and revised accounting standards

The accounting policies applied in 2023-24 are consistent with those of the previous financial year except for the first time application of AASB 2021-2 *Amendments to Australian Accounting Standards—Disclosure of Accounting Policies and Definition of Accounting Estimates*. The application of this standard did not have a material impact to the Delivery Authority.

At the date of authorisation of the financial report, the following Australian Accounting Standards and Interpretations have been issued but were not yet effective as at 30 June 2024. The Delivery Authority does not plan to early adopt any standards or interpretations.

Accounting Standards	Effective Date for the Delivery Authority
AASB 2020-1 <i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current</i> AASB 2022-6 <i>Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants</i> AASB 2022-10 <i>Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial assets of Not-for-Profit Public Sector Entities (NFP)(PS)</i>	1 July 2024

All other Australian Accounting Standards and Interpretations with future commencement dates are either not applicable or have no material impact on the Delivery Authority's financial statements.

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to the Financial Statements For the year ended 30 June 2024

2. Grants revenue

	2024	2023
	\$'000	\$'000
Grants revenue	115,649	81,076
Total	115,649	81,076

The Delivery Authority recognises grants revenue under AASB 1058 *Income of Not-for-Profit Entities*.

Grants that are not enforceable and/or not sufficiently specific will not qualify for deferral and continue to be recognised as revenue as soon as they are controlled. The Delivery Authority receives several grants for which there are no specific performance obligations. These grants are expected to continue being recognised as revenue upfront assuming no change to the current grant arrangements.

The Delivery Authority recognised grants revenue in the current financial year from the State of Queensland for the purposes of operational funding, Tunnel, Stations and Development Public Private Partnership interest and returned works.

3. Reimbursement income

	2024	2023
	\$'000	\$'000
Reimbursement of C&A costs	256,809	176,739
Reimbursement of ETCS costs	129,320	134,358
Reimbursement of NGCS costs	117,385	43,652
Reimbursement of Integration costs	41,024	10,888
Reimbursement of RSSE costs	21,265	3,552
Total	565,803	369,189

The Delivery Authority recognises reimbursement income under AASB 15 *Revenue from Contracts with Customers*.

Reimbursement of Complementary and Associated (C&A) costs

The Rail, Integration and Systems (RIS) Alliance is being delivered as part of the Unity Program Alliance Agreement. The Unity Alliance comprises of UGL, AECOM, Jacobs, CPB Contractors and Queensland Rail (QR). A component of the RIS project is called the C&A works package. This package is funded by QR and the Department of Transport and Main Roads (DTMR). The Delivery Authority earns revenue for the procurement of services and delivery of the C&A component. Refer to Note 6 for details of these costs. Revenue is earned and recognised once the project works are delivered. Accrued revenue is also recognised for amounts relating to works completed, but not yet invoiced at year end.

**Notes to the Financial Statements
For the year ended 30 June 2024**

3. Reimbursement income (continued)

Reimbursement of European Train Control System (ETCS) costs

The ETCS Alliance is being delivered as part of the Sequence Program Alliance Agreement. The Sequence Alliance comprises the Delivery Authority, QR and Hitachi, with the DTMR as the project sponsor. An arrangement with QR is in place for the reimbursement of costs paid by the Delivery Authority in delivering works that are part of the ETCS Alliance. Refer to Note 6 for details of these costs. Revenue is earned and recognised once the project works are delivered. Accrued revenue is also recognised for amounts relating to works completed, but not yet invoiced at year end.

Reimbursement of New Gold Coast Stations (NGCS) costs

NGCS reimbursement income relates to works being delivered by the Delivery Authority on behalf of DTMR. These costs are reimbursable from DTMR and include costs related to the design and construction of the stations for Pimpama, Merrimac and Hope Island. Refer to Note 6 for details of these costs. Revenue is earned and recognised once the project works are delivered. Accrued revenue is also recognised for amounts relating to works completed, but not yet invoiced at year end.

Reimbursement of Integration costs

Integration reimbursement income relates to works being delivered by the Delivery Authority on behalf of DTMR. These costs are reimbursable from DTMR and include costs related to strategic integration activities. Refer to Note 6 for details of these costs. Revenue is earned and recognised once the project works are delivered. Accrued revenue is also recognised for amounts relating to works completed, but not yet invoiced at year end.

Reimbursement of Roma Street Station Enhancement (RSSE) costs

RSSE reimbursement income relates to works being delivered by the Delivery Authority on behalf of QR and DTMR. These costs are reimbursable from QR and DTMR and include costs related to the design scope definition and requirements phase. Refer to Note 6 for details of these costs. Revenue is earned and recognised once the project works are delivered. Accrued revenue is also recognised for amounts relating to works completed, but not yet invoiced at year end.

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to the Financial Statements For the year ended 30 June 2024

4. Employee expenses

	2024	2023
	\$'000	\$'000
Employee expenses		
<i>Employee benefits</i>		
Wages and salaries	11,692	11,021
Employer superannuation contributions	1,750	1,319
Annual leave levies	1,096	1,010
Long service leave levies	321	316
	14,859	13,666
<i>Employee related expenses</i>		
Payroll tax	740	687
Other employee related expenses	528	475
	1,268	1,162
Total	16,127	14,828

In addition to the total employee expenses above, \$38.704 million (2023: \$30.325 million) was capitalised to CWIP.

The number of employees including both full-time employees and part-time employees measured on a full-time equivalent basis is:

	2024	2023
Employees funded by the Delivery Authority	220	180
Employees funded by DTMR and QR	52	68
Total	272	248

Wages and salaries

Wages and salaries are recognised in the reporting period in which the employees rendered the related service. Wages and salaries due but unpaid at reporting date are recognised in the Statement of Financial Position at the current salary rates.

Sick leave entitlements are non-vesting and are only paid upon valid claims for sick leave by employees. Sick leave is expensed in the reporting period in which the leave is taken by the employee.

No provision for annual leave or long service leave is recognised in the Delivery Authority's financial statements as the liability is held on a Whole-of-Government (WoG) basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to the Financial Statements For the year ended 30 June 2024

4. Employee expenses (continued)

Annual leave expenses

The Delivery Authority is a member of the WoG Annual Leave Central Scheme (ALCS). Under the ALCS, a levy is made on the Delivery Authority to cover the cost of employees' annual leave (including leave loading and on-costs). The levies are expensed in the period in which they are payable. Amounts paid to employees for annual leave are claimed from the ALCS quarterly in arrears.

Long service leave expenses

The Delivery Authority is a member of the WoG Long Service Leave Central Scheme (LSLCS). Under the LSLCS, a levy is made on the Delivery Authority to cover the cost of employees' long service leave. The levies are expensed in the period in which they are payable. Amounts paid to employees for long service leave are claimed from the LSLCS quarterly in arrears.

Employer superannuation contributions

Post-employment benefits for superannuation are provided through defined contribution (accumulation) plans or the Queensland Government's defined benefit plan (the former QSuper defined benefit categories now administered by the Government Division of the Australian Retirement Trust) as determined by the employee's conditions of employment. From the first pay in July 2023, the Delivery Authority employees received 12.75% in employer superannuation contributions, regardless of their employee contribution.

Defined Contribution Plans

Contributions are made to eligible complying superannuation funds based on the rates specified in the Queensland Public Service Officers and Other Employees Award or other conditions of employment. Contributions are expensed when they are paid or become payable following completion of the employee's service each pay period.

Defined Benefit Plan

The liability for defined benefits is held on a WoG basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*. The amount of contributions for defined benefit plan obligations is based upon the rates determined on the advice of the State Actuary. Contributions are paid by the Delivery Authority at the specified rate following completion of the employee's service each pay period. The Delivery Authority's obligations are limited to those contributions paid.

Employee related expenses

Payroll tax, workers' compensation insurance and FBT are consequences of employing employees but are not counted in an employees' total remuneration package. They are not employee benefits and are recognised separately as employee related expenses. Payroll tax and workers' compensation in relation to contractors that fall under the definition of an employee are included in employee related expenses. The Delivery Authority pays workers' compensation insurance premiums to Workcover Queensland in respect of its obligations for employee compensation.

Capitalised employee benefits

Employee benefits are capitalised and included in capital work in progress (CWIP), to the extent they are directly attributable to the construction of the infrastructure assets. Those benefits not directly attributable are expensed in the Statement of Comprehensive Income.

Key management personnel and remuneration disclosures are detailed in Note 5.

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to the Financial Statements For the year ended 30 June 2024

5. Key management personnel and remuneration

(a) Key management personnel

The Minister for Transport and Main Roads and Minister for Digital Services is the Delivery Authority's responsible minister and is identified as part of the Delivery Authority's Key Management Personnel (KMP).

The following details for non-Ministerial KMP reflect those positions that had authority and responsibility for planning, directing, and controlling the activities of the Delivery Authority during the current financial year.

Position	Responsibilities under the Act	Current Incumbent		
		Contract classification and appointment authority	Name	Appointment Date
CEO	Day-to-day administration of the Delivery Authority, including employing persons, arranging for the services of officers or employees of a government agency and engaging contractors of the Delivery Authority. The CEO is accountable to the Minister.	Appointed by the Board, in consultation with the Minister under Section 49 of the Act.	Mr Graeme Newton	18 September 2017

(b) Remuneration

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. The Delivery Authority does not bear any cost of remuneration of Ministers. 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 are 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.

Remuneration expenses for non-ministerial KMP comprise the following components:

- Short-term employee expenses, including:
 - salaries, allowances, levies paid to Annual Leave Central Scheme and leave entitlements earned and expensed for the entire year, or for that part of the year during which the employee occupied a KMP position; and
 - non-monetary benefits – consisting of provision of vehicle together with fringe benefits tax applicable to the benefit.
- 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 include payments in lieu of notice on termination and other lump sum separation entitlements (excluding annual and long service leave entitlements) payable on termination of employment or acceptance of an offer of termination of employment.

No performance payments are paid.

CROSS RIVER RAIL DELIVERY AUTHORITY

**Notes to the Financial Statements
For the year ended 30 June 2024**

5. Key management personnel and remuneration (continued)

2024

Position	Name	Short Term Employee Expenses		Long Term Employee Expenses	Post Employment Expenses	Termination Benefits	Total
		Monetary Expenses	Non-Monetary Expenses				
		\$'000	\$'000				
CEO	Graeme Newton	608	-	16	78	-	702
Total		608	-	16	78	-	702

2023

Position	Name	Short Term Employee Expenses		Long Term Employee Expenses	Post Employment Expenses	Termination Benefits	Total
		Monetary Expenses ¹	Non-Monetary Expenses				
		\$'000	\$'000				
CEO	Graeme Newton	784	-	20	85	-	889
Total		784	-	20	85	-	889

¹ Contract was renewed by the Board in August 2022. Total remuneration consisting of \$616,395 salary and \$78,590 superannuation was informed by independent market review with application from September 2021 as per contract entitlements. Additionally, an arrears one-off payment of \$120,000 under prior contract entitlements was made as informed by independent market reviews.

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to the Financial Statements For the year ended 30 June 2024

6. Supplies and services

	2024	2023
	\$'000	\$'000
Contractors	541,065	349,549
Occupancy costs	2,120	2,428
Other supplies and services	9,427	5,867
Total	552,612	357,844

Contractors

European Train Control System (ETCS)

The ETCS works package is being delivered as part of the Sequence Program Alliance Agreement (PAA). It aims to deliver a new signalling system that will enable increased capacity on the inner-city rail network, enhance safety and allow the wider South East Queensland rail network to run more efficiently. ETCS costs are recognised when services are delivered.

Complementary and Associated (C&A)

The Rail, Integration and Systems (RIS) works package is being delivered as part of the Unity PAA. The RIS works package includes rail, civil and electrical works, rail operation systems and controls and rail signalling and communications. A component of the RIS project is called the C&A works package. C&A costs are recognised when services are delivered.

New Gold Coast Stations (NGCS)

The NGCS works package relates to the design, procurement and construction phases of the three new train stations on the Gold Coast at Pimpama, Merrimac and Hope Island. The new stations will feature onsite parking and passenger drop-off facilities, connections to pedestrian and cycle paths, accessible features such as wayfinding signage and platform access, and integration with the current public transport network. NGCS costs are recognised when services are delivered.

Roma Street Station Enhancement (RSSE)

The RSSE works package relates to the design, scope, definition and construction phases of the Roma Street station subway and bus platform upgrade. This includes upgrade to the architectural finishes within the station subway and on busway platform 2 to complement the new underground Roma Street station. RSSE costs are recognised when services are delivered.

Integration

Integration costs relate to strategic integration activities and support functions within program delivery to consolidate the Integration requirements and improve interface communication with the major work packages. It includes testing & commission and progressive assurance to support tunnel power energisation, tunnel testing with New Generation Rollingstock and the establishment of a testing laboratory. Integration costs are recognised when services are delivered.

Occupancy costs

Occupancy costs include property rentals for 123 Albert Street, 119 Charlotte Street and 150 Mary Street. These are non-specialised commercial office accommodations under the Queensland Government Accommodation Office's Framework and do not meet the definition of a lease under AASB 16 *Leases*.

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to the Financial Statements For the year ended 30 June 2024

6. Supplies and services (continued)

Other supplies and services

Costs mainly relate to marketing and communications costs, legal costs, subscriptions, and software licencing and solution hosting. The Delivery Authority recognises the application software access fees, customisation costs and configuration costs as operating expenses over the term of the service contract if the services are not separately identifiable. Implementation costs including costs to configure or customise the cloud provider's application software are recognised as operating expenses when the services are received.

7. Capital grants expense

	2024	2023
	\$'000	\$'000
Capital grant expense	25,053	11,143
Total	25,053	11,143

Capital grants expense relates to the returned works transferred to third parties not controlled by the State. The Delivery Authority recognises these costs progressively in the Statement of Comprehensive Income in accordance with the Financial Reporting Requirements. Capital grants expense is based on estimated forecast cashflows to complete the returned works. Assets resulting from capital grants expenses will be transferred to relevant third parties when the assets are commissioned and ready for use.

8. Borrowing costs

	Note	2024	2023
		\$'000	\$'000
Borrowing costs	16	85,227	69,933
Total		85,227	69,933

Borrowing costs represent the accrued interest on the borrowings relating to the Tunnel, Stations and Development (TSD) package (refer to Note 16). It reflects the cumulative amortisation, using the effective interest method, of the difference between the initial carrying amount of the borrowings and the maturity amount. While the construction of the TSD Package would generally be considered a qualifying asset in terms of AASB 123 *Borrowing Costs*, the Delivery Authority does not capitalise the borrowing costs as part of the carrying amount of the TSD package in accordance with the Financial Reporting Requirements.

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to the Financial Statements For the year ended 30 June 2024

9. Other expenses

		2024	2023
	Note	\$'000	\$'000
Queensland Audit Office (QAO) - external audit fees for the audit of the financial statements		303	327
Depreciation expense	12	16	78
Other expenses		934	79
Total		1,253	484

10. Cash and cash equivalents

	2024	2023
	\$'000	\$'000
Cash at bank	15,002	29,540
Total	15,002	29,540

Cash and cash equivalents include deposits held with financial institutions. The Delivery Authority's bank account forms part of the Whole-of-Government consolidated fund and does not earn interest.

11. Trade and other receivables

	2024	2023
	\$'000	\$'000
<i>Current</i>		
Trade receivables	76,002	46,849
Accrued income	148,267	101,799
Goods and Services Tax (GST) receivable	4,926	36,626
Annual leave reimbursements	920	884
Long service leave reimbursements	56	59
Total	230,171	186,217
<i>Non-current</i>		
Grants receivables	282,261	197,034
	282,261	197,034
Total	512,432	383,251

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to the Financial Statements For the year ended 30 June 2024

11. Trade and other receivables (continued)

Trade receivables

Relates to amounts invoiced to QR and DTMR for the work packages costs being delivered by the Delivery Authority on their behalf. These costs are initially recognised as accrued income at the amount of consideration due at the time of service delivery.

Financial Reporting Requirements 4E.2 states that statutory bodies consolidated into the Whole-of-Government financial statements shall not recognise a loss allowance under AASB 9 *Financial Instruments* for receivables from another Queensland Government agency unless approval has been received from Queensland Treasury. These receivables are expected to have an insignificant, and therefore, immaterial level of credit risk exposure due to the high credit rating of the State of Queensland. A credit allowance on receivables is therefore not recognised by the Delivery Authority.

Accrued income

Relates to unbilled amounts due from QR and DTMR for the work packages costs being delivered by the Delivery Authority on behalf of QR and DTMR.

GST receivable

Relates to net GST refundable amounts from the Australian Taxation Office.

Annual leave reimbursements

Relates to amounts reimbursed by the Delivery Authority from the Annual Leave Central Scheme quarterly for annual leave paid to employees.

Long service leave reimbursements

Relates to amounts reimbursed by the Delivery Authority from the Long Service Leave Central Scheme quarterly for long service leave paid to employees.

Grants receivable

Relates to the interest on the Tunnel, Stations and Development Public Private Partnership to be reimbursed from DTMR that will only be extinguished when the assets and liabilities from the Delivery Authority are transferred to another agency at the project completion date.

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to the Financial Statements For the year ended 30 June 2024

12. Property, plant and equipment

	2024	2023
	\$'000	\$'000
Plant and equipment		
Plant and equipment at cost	548	458
Accumulated depreciation	(459)	(442)
Total	89	16
Building fit out		
Building fit out at cost	21	21
Accumulated depreciation	(21)	(21)
Total	-	-
Capital work in progress (CWIP)		
CWIP at cost	6,582,636	5,636,976
Total	6,582,636	5,636,976
Total	6,582,725	5,636,992

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to the Financial Statements
For the year ended 30 June 2024

12. Property, plant and equipment (continued)

Reconciliation of movement in property, plant and equipment

	Note	Plant and equipment \$'000	Building fit out \$'000	Capital Work in Progress (CWIP)				Total CWIP \$'000	Total \$'000
				Tunnel, Stations and Development \$'000	Rail, Integration and Systems \$'000	Land \$'000	Other \$'000		
Carrying amount as at 1 July 2023		16	-	3,756,892	686,576	618,830	574,678	5,636,976	5,636,992
Additions		89	-	570,480	281,040	12,155	81,985	945,660	945,749
Depreciation expense	9	(16)	-	-	-	-	-	-	(16)
Carrying amount at 30 June 2024		89	-	4,327,372	967,616	630,985	656,663	6,582,636	6,582,725
Carrying amount as at 1 July 2022		91	3	2,890,704	433,405	607,115	500,205	4,431,429	4,431,523
Additions		-	-	866,188	253,171	11,715	74,473	1,205,547	1,205,547
Depreciation expense	9	(75)	(3)	-	-	-	-	-	(78)
Carrying amount at 30 June 2023		16	-	3,756,892	686,576	618,830	574,678	5,636,976	5,636,992

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to the Financial Statements For the year ended 30 June 2024

12. Property, plant and equipment (continued)

Recognition thresholds

All items of property, plant and equipment are recognised when the cost equals to or exceeds the following thresholds:

Plant and equipment	\$5,000
Building fit out	\$5,000
Capital work in progress	\$1

All other items with a cost less than the above thresholds are expensed.

Additions

Actual cost is used for the initial recording of all physical asset additions. Cost is determined as the value given as consideration plus costs directly attributable to the acquisition, including all other costs incurred in preparing the assets ready for use. 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.

Capital work in progress (CWIP)

CWIP is valued at cost and is not depreciated or revalued until the asset is complete, ready and available for use as intended by management. Costs are capitalised and included in CWIP to the extent these costs are directly attributable to the construction of the infrastructure assets. It includes estimates of labour and an appropriate proportion of overheads excluding administration costs; indicative State Construction Contribution amounts and timing of cashflow estimates have been applied with the recognition of CWIP for the Tunnel, Stations and Development (TSD) package. Those benefits not directly attributable are expensed in the Statement of Comprehensive Income.

CWIP includes Rail, Integration and Systems and TSD work packages costs as well as land and other Delivery Authority costs acquired for the purpose of the project.

Land associated with precinct development will be transferred to the Queensland Future Fund (QFF) after completion of the rail project. The transfer date is subject to a number of conditions precedent and has not been agreed at the time of signing these financial statements.

Depreciation

For each class of property, plant and equipment, the following depreciation rates are used:

Asset class	Depreciation method	Recognition method	Average useful life
Plant and equipment	Straight-line	At cost	5 years
Building fit out	Straight-line	At cost	5 years

Impairment

All non-current physical assets are assessed for indicators of impairment on an annual basis.

Subsequent measurement

The Delivery Authority expects to transfer constructed assets to the State Government on completion of construction. The majority of these assets will be complex assets and will be componentised, depreciated and subsequently measured in accordance with the designated owner's asset accounting policy. Infrastructure and land assets are transferred from capital work in progress (CWIP) at cost and if held in property, plant and equipment at 30 June will be valued at fair value in accordance with AASB 13 *Fair Value Measurement* and the Financial Reporting Requirements.

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to the Financial Statements For the year ended 30 June 2024

12. Property, plant and equipment (continued)

Returned works

The Delivery Authority's non-reciprocal transfer of assets to another wholly-owned Queensland Government agency is to be treated as a contribution by owners and accounted for directly against equity subject to ministerial approval/designation being obtained at or before the time of transfer in accordance with AASB Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* and Financial Reporting Requirements 4F *Equity, Contributions by Owners and Distributions to Owners*.

Non-reciprocal transfers of non-cash assets between the Delivery Authority and entities not considered to be controlled by the Queensland Government are accounted for as capital grants expense in the Statement of Comprehensive Income.

13. Right-of-use assets

	2024	2023
	\$'000	\$'000
ROU assets at cost	7,755	7,642
Accumulated depreciation	(6,978)	(5,215)
	777	2,427

Under AASB 16 *Leases*, the Delivery Authority recognised right-of-use (ROU) assets and lease liabilities (refer to Note 17) related to land lease agreements. ROU assets are measured at an amount equal to the lease liability, adjusted by the amount of any lease incentives and accrued lease payments.

Reconciliation of movement in ROU

	2024	2023
	\$'000	\$'000
ROU assets as at 1 July	2,427	3,877
Adjustment to ROU assets	113	106
Depreciation charge for the year	(1,763)	(1,556)
ROU assets at 30 June	777	2,427

The ROU asset is recognised at the commencement date of the lease and is measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The ROU depreciation is recognised in capital work in progress (CWIP) over the lease term.

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to the Financial Statements For the year ended 30 June 2024

14. Other assets

	2024	2023
	\$'000	\$'000
<i>Current</i>		
Prepayments	4,495	10,927
<i>Non-current</i>		
Prepayments	5,385	2,891
Total	9,880	13,818

Prepayments include Principal Arranged Insurance (PAI) amortised over the life of the project and other insurances, software licences and services.

15. Trade and other payables

	2024	2023
	\$'000	\$'000
Trade creditors	13,960	1,651
Accrued expenses	143,547	117,798
Other payables	18	985
Total	157,525	120,434

Trade creditors

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the nominal amount i.e. agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and are paid within the terms agreed with the supplier.

Accrued expenses

Accrued expenses comprise mainly of land compensation accruals of \$34 million (2023: \$35 million), and contractor and sub-contractor accruals of \$110 million (2023: \$83 million).

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to the Financial Statements For the year ended 30 June 2024

16. Borrowings

	2024	2023
	\$'000	\$'000
<i>Current</i>		
Finance liability	447,586	414,895
<i>Non-current</i>		
Finance liability	2,279,486	1,959,335
Total	2,727,072	2,374,230

Reconciliation of movement in borrowings

	Note	2024	2023
		\$'000	\$'000
Opening balance as at 1 July		2,374,230	2,233,969
Borrowing drawdowns		592,370	627,857
Borrowing costs	8	85,227	69,933
Borrowing redemptions - State Construction Contribution (SCC) payments		(324,755)	(553,563)
Gain on modification of borrowings		-	(3,966)
Closing balance at 30 June		2,727,072	2,374,230

Finance liability

The Tunnel, Stations and Development (TSD) package has been accounted for as a construction contract with an outsourcing arrangement. The construction costs of the TSD package are progressively capitalised across the construction period into capital work in progress (CWIP). A corresponding finance liability is recognised. The effective interest rate (EIR) method is used to calculate the amortised cost of the finance liability, accrue, and recognise the borrowing costs in profit or loss over the life of the finance liability. The State Construction Contribution (SCC) payments commenced in June 2021 and are recognised as a reduction to the finance liability once paid.

When determining the progressive capitalisation of costs into CWIP and the corresponding finance liability, the actual and indicative SCC amounts and timings of the estimated forecast cashflows are used as set out in the Financial Model. These forecast amounts are then updated to reflect actual certified payments. The Financial Model is a tool provided by the consortia delivering the TSD package that estimates, on a monthly basis, the value of work completed on the project. When the certified works are provided, these forecast cashflow amounts and timings are adjusted in the period of change to reflect the revised actual and estimated cashflows.

In FY2024, the Delivery Authority and Pulse Consortium further negotiated to amend the TSD package construction contract. The proposed contract variations (refer to Note 22) resulted in the remeasurement of subsequent contractual cashflows, which required the Delivery Authority to assess whether or not there has been a substantial modification of the TSD package construction contract under AASB 9 *Financial Instruments* (AASB 9). In performing this test, the Delivery Authority concluded that based on the quantitative and qualitative assessments, the proposed modifications to the contract are not substantial and will not result in an extinguishment of the existing finance liability under AASB 9. Therefore, the revised value of the finance liability is calculated by discounting the new estimated future cash flows at the original interest rate in accordance with AASB 9.

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to the Financial Statements For the year ended 30 June 2024

17. Lease liabilities

	2024 \$'000	2023 \$'000
<i>Current</i>		
Lease liability	908	1,708
<i>Non-current</i>		
Lease liability	-	330
Total	908	2,038

Lease liabilities are measured at the present value of the remaining lease payments, discounted at the Delivery Authority's incremental borrowing rate. To determine the incremental borrowing rate, the Delivery Authority uses loan rates provided by Queensland Treasury Corporation (QTC) that correspond to the commencement date and term of the lease.

Reconciliation of movement in lease liability

	2024 \$'000	2023 \$'000
Opening balance at 1 July	2,038	3,397
Interest expense	24	42
Lease payments	(1,284)	(1,481)
Adjustment in lease liability	130	80
Closing balance at 30 June	908	2,038

After the commencement date, the amount of lease liability is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liability is remeasured if there is a modification, a change in the lease term or a change in the lease payments. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the ROU asset (refer to Note 13).

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to the Financial Statements For the year ended 30 June 2024

18. Contributed equity

	2024	2023
	\$'000	\$'000
Opening balance as at 1 July	3,568,174	2,773,728
Non-appropriated equity injections	664,590	794,446
Closing balance at 30 June	4,232,764	3,568,174

The Delivery Authority received non-appropriated equity, also known as unrestricted capital funding, as well as operating funding from DTMR. Equity is recognised when received and in accordance with the Delivery Authority accounting policy.

19. Commitments

Commitments for capital expenditure at reporting date (exclusive of GST input tax credits) are payable:

	2024	2023
	\$'000	\$'000
Capital		
Not later than 1 year	450,059	846,004
Later than 1 year and not later than 5 years	44,965	514,806
Total	495,024	1,360,810

Commitments for capital expenditure includes funding commitments for Tunnel, Stations and Development and Rail, Integration and Systems work packages as well as balances remaining on open purchase orders relevant to capital works.

20. Contingencies

The Delivery Authority does not have any contingent liabilities that would significantly impact the state of affairs of the Delivery Authority or have a material effect on these financial statements except for potential land compensation claims. At reporting date, it is not possible to make a reliable estimate of any probable outcome of these claims.

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to the Financial Statements For the year ended 30 June 2024

21. Related parties

The Delivery Authority's predominant source of funding is non-appropriated equity funding from DTMR (refer to Note 18). In addition, the Delivery Authority is reimbursed for costs incurred in the delivery of projects on behalf of DTMR and QR and transacts with other State of Queensland controlled entities. All material transactions are negotiated on terms equivalent to those that prevail in arm's length transactions. The following relates to transactions with State of Queensland controlled entities.

	2024 \$'000	2023 \$'000
Revenue		
Revenue earned from QR	371,001	303,286
Revenue earned from DTMR	194,801	65,903
Government grants from DTMR	115,649	81,076
Expenses		
Expenses incurred with QR	28,541	27,687
Expenses incurred with DTMR	4,453	2,488
Expenses incurred with other State of Queensland controlled entities	1,086	564
Assets		
Receivables from DTMR	397,986	239,793
Receivables from QR	108,532	105,664
Receivables from other State of Queensland controlled entities	-	223
Property, plant & equipment - capital works costs incurred with QR	25,104	24,156
Property, plant & equipment - capital works costs incurred with DTMR	79	86
Property, plant & equipment - capital works costs incurred with other State of Queensland controlled entities	3,070	3,519
Liabilities		
Payables to QR for supplies and services received	20,502	8,162
Payables to DTMR for supplies and services received	2,854	405
Payables to other State of Queensland controlled entities for supplies and services received	252	219
Equity		
Non-appropriated equity received from DTMR	664,590	794,446

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to the Financial Statements For the year ended 30 June 2024

22. Events after the balance date

A variation to the TSD package contract was executed on 30 July 2024, with an effective date of 31 July 2024. Key amendments to the contract include changes in the timing of the payments upon completion of agreed milestones and schedule of service payments (refer to Note 16).

The Delivery Authority will transfer the completed assets for Mayne Yard North, Fairfield Station and Yeronga Station to Queensland Rail in FY2025 via equity transfer in accordance with Financial Reporting Requirements 4F *Equity, Contributions by Owners and Distribution to Owners*.

The Rocklea Station reopened in July 2024. The Delivery Authority will transfer this asset to Queensland Rail in FY2025 via equity transfer in accordance with Financial Reporting Requirements 4F *Equity, Contributions by Owners and Distribution to Owners*.

23. Financial risks disclosures

(a) Financial instrument categories

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Delivery Authority becomes a party to the contractual provisions of the financial instrument. The Delivery Authority has the following categories of financial assets and financial liabilities:

		2024	2023
		\$'000	\$'000
Financial assets	Note		
Cash and cash equivalents	10	15,002	29,540
<i>Financial assets at amortised cost:</i>			
Trade and other receivables	11	512,432	383,251
Total		527,434	412,791
Financial liabilities			
<i>Financial liabilities at amortised cost:</i>			
Trade and other payables	15	157,525	120,434
Borrowings	16	2,727,072	2,374,230
Lease liabilities	17	908	2,038
Total		2,885,505	2,496,702

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

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to the Financial Statements For the year ended 30 June 2024

23. Financial risks disclosures (continued)

(b) Financial risk exposure and management

Financial risk management is implemented pursuant to the Delivery Authority's policies. These policies focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the financial performance of the Delivery Authority. All financial risk is managed by the corporate finance area under policies approved by the Delivery Authority. The Delivery Authority provides written principles for overall risk management, as well as policies covering specific areas. The Delivery Authority's activities expose it to a variety of financial risks as set out in the following table:

Risk exposure	Definition	Exposure	Measurement Method	Risk Management Strategies
Credit risk	The risk that the Delivery Authority may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation.	The maximum exposure to credit risk at balance date in relation to receivables is the gross carrying amount of those assets.	Ageing analysis	The Delivery Authority manages credit risk through monthly review and follow up of outstanding receivables in accordance with agreed debtor payment terms.
Liquidity risk	The risk that the Delivery Authority may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.	Funding sources for the project have been secured via Cabinet Budget Review Committee (CBRC), and the primary exposure to the Delivery Authority is limited to the potential instance of project cost overruns, however, the project is primarily a fixed cost contract. The components of the project that are not a fixed cost contract include an allocation of retained risk that is also guaranteed funding from CBRC. Funding is provided by Queensland Treasury through the DTMR. In the event that future potential overruns are identified, risk management strategies have been put in place. In addition to the exposure for project overruns, the Delivery Authority is exposed to liquidity risks related to trade and other payables (Note 15), borrowings (Note 16) and lease liabilities (Note 17).	Sensitivity analysis	The Delivery Authority manages liquidity risk by having sufficient funds available to meet all obligations as they fall due. This is achieved by ensuring minimum levels of cash are held in the bank account so as to match the expected duration of the various employee and supplier liabilities. Funding from Queensland Treasury through the DTMR contributes towards the servicing of financial liabilities and commitments.

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to the Financial Statements For the year ended 30 June 2024

23. Financial risks disclosures (continued)

(b) Financial risk exposure and management (continued)

Risk exposure	Definition	Exposure	Measurement Method	Risk Management Strategies
Market risk	<p>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 three types of risk: currency risk, interest rate risk and other price risk.</p> <p>Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.</p>	<p>The Delivery Authority does not trade in foreign currency and is not materially exposed to commodity price changes. The interest on the Tunnel, Stations and Development (TSD) Public Private Partnership (PPP) is fixed, therefore, the Delivery Authority is not exposed to a significant level of market risk.</p>	Interest rate sensitivity analysis	The Delivery Authority does not undertake hedging in relation to interest rate risk. All borrowings have fixed interest rates, hence, there is no significant exposure to interest rate risk.
			Market analysis	The Delivery Authority manages supply chain risk by undertaking market analyses, tracking impacts across comparable agencies within Queensland and across other Australian jurisdictions, monitoring market research from relevant economic bodies, monitoring international and domestic supply chain challenges and economic factors, and assessing reporting from contractors on impacts they are experiencing to assess potential impacts on the project. The Delivery Authority undertakes periodic reviews to monitor potential financial impacts due to supply chain and other emerging issues.

(c) Credit risk disclosures

	Total	Current	Non-Current
	\$'000	\$'000	\$'000
<i>Trade and other receivables</i>			
2024	512,432	230,171	282,261
2023	383,251	186,217	197,034

The current trade and other receivables mainly relate to amounts due from and reimbursed by QR and DTMR for the European Train Control System, Rail, Integration and Systems, New Gold Coast Stations, Roma Street Station Enhancement and Integration works packages.

The non-current grants receivable comprises grant funding from DTMR relating to the TSD PPP current interest. All balances are owing from other government agencies, which reduces the Delivery Authority's credit risk, hence, no allowance for impairment is recognised during the financial year.

CROSS RIVER RAIL DELIVERY AUTHORITY

**Notes to the Financial Statements
For the year ended 30 June 2024**

23. Financial risks disclosures (continued)

(c) Credit risk disclosures (continued)

Ageing of past due current trade and other receivables is disclosed in the following table:

	Note	Total	Current	> 30 days	> 60 days	> 90 days
<i>Aged current trade and other receivables</i>		\$'000	\$'000	\$'000	\$'000	\$'000
2024	11	230,171	191,781	4,777	19,912	13,701
2023	11	186,217	151,611	4,079	-	30,528

(d) Liquidity risk - contractual maturity of financial liabilities

The following table sets out the liquidity risk of financial liabilities held by the Delivery Authority. These represent the contractual maturity of financial liabilities, presented at carrying amount and undiscounted cash flows relating to the liabilities at reporting date. The borrowings disclosed below are financial liabilities of the Delivery Authority only until the project completion in 2026, these borrowings will then be transferred to another entity.

2024	Note	Discounted Carrying amount	Contractual maturity (undiscounted)			
			< 1 year	1-5 years	> 5 years	Total
Financial liabilities		\$'000	\$'000	\$'000	\$'000	\$'000
Trade and other payables	15	157,525	157,525	-	-	157,525
Borrowings	16	2,727,072	140,737	1,325,164	2,108,697	3,574,598
Lease liabilities	17	908	913	-	-	913
Total		2,885,505	299,175	1,325,164	2,108,697	3,733,036

2023	Note	Discounted Carrying amount	Contractual maturity (undiscounted)			
			< 1 year	1-5 years	> 5 years	Total
Financial liabilities		\$'000	\$'000	\$'000	\$'000	\$'000
Trade and other payables	15	120,434	120,434	-	-	120,434
Borrowings	16	2,374,230	107,338	1,245,045	1,797,587	3,149,970
Lease liabilities	17	2,038	1,731	334	-	2,065
Total		2,496,702	229,504	1,245,379	1,797,587	3,272,470

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to the Financial Statements For the year ended 30 June 2024

24. Public Private Partnership

Tunnel, Stations and Development Public Private Partnership (Year 5 of 30)

In July 2019, the Delivery Authority entered into a Public Private Partnership (PPP) arrangement with Project Co (Pulse Consortium) for the design and construction, and service phases of the Tunnel, Stations and Development (TSD) package. The Pulse Consortium is comprised of CIMIC Group companies, Pacific Partnerships, CPB Contractors, and UGL with international partners DIF, BAM, and Ghella Investments & Partnerships.

The TSD PPP is for a period of 30 years from July 2019 to April 2049. The scope of works includes the 5.9 kilometres twin underground tunnel and delivery of the new four underground stations at Boggo Road, Woolloongabba, Albert Street and Roma Street, as well as asset maintenance and facilities management of the tunnel and four underground stations for 25 years.

The TSD PPP is outside the scope of AASB 1059 *Service Concession Arrangements: Grantors* as the asset maintenance and facilities management of the tunnel and underground stations are not assessed as contributing significantly to the provision of public services. The Delivery Authority accounts for the arrangement as a construction contract with a service outsourcing. The construction costs of the TSD PPP are progressively capitalised into capital work in progress (CWIP) (refer to Note 12) with a corresponding finance liability recognised (refer to Note 16) in the Statement of Financial Position. Once the assets are commissioned, the CWIP will be recognised as an equity transfer under FRR 4F *Equity, Contributions by Owners and Distributions to Owners* for returned works to State of Queensland controlled entities (refer to Note 12) or as capital grant expense for returned works to entities not controlled by the State of Queensland (refer to Note 7). The asset recipients will then recognise the corresponding depreciation expense for the assets transferred.

Financial position impact

		2024	2023
	Note	\$'000	\$'000
Assets			
TSD Capital work in progress	12	4,327,372	3,756,892
Liabilities			
Finance liability	16	2,727,072	2,374,230

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to the Financial Statements For the year ended 30 June 2024

24. Public private partnership (continued)

Under the TSD PPP arrangement, the Delivery Authority will pay for:

- the construction services provided by Pulse Consortium via State Construction Contributions during the design and construction phase. The costs of construction services include all costs directly attributable to the construction of the TSD package (refer to Note 12).
- the asset maintenance of the tunnel and facilities management of the stations that will be provided by Pulse Consortium during the service phase via Quarterly Service Payments. These payments will be reimbursed from DTMR. All the service costs will be recognised as expense in the Statement of Comprehensive Income.

The lifecycle services provided by Pulse for the service phase, which may be a combination of routine maintenance or replacement and/or refurbishment of significant components of the TSD assets, requires Pulse to maintain a residual value life of at least 50 per cent of the design life of the assets in accordance with the TSD PPP arrangement.

Operating statement impact

	Note	2024 \$'000	2023 \$'000
Expenses			
Capital grant expense	7	25,053	11,143
Borrowing costs	8	85,227	69,933
Total		110,280	81,076
Net impact on operating result		(110,280)	(81,076)

Maturity analysis of future undiscounted finance liability payments

The estimated future undiscounted finance liability payments for the TSD PPP are as follows.

	2024 \$'000	2023 \$'000
Not later than 1 year	447,586	414,895
Later than 1 year and not later than 5 years	1,411,930	1,660,935
Later than 5 years and not later than 10 years	496,002	496,002
Later than 10 years	1,488,552	1,587,752
Total	3,844,070	4,159,584

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to and forming part of the Financial Statements For the year ended 30 June 2024

25. Budgetary reporting disclosures

Statement of comprehensive income

	Variance Note	Budget 2024 \$'000	Actual 2024 \$'000	Variance \$'000
Income from operations				
Grants revenue	1	143,871	115,649	28,222
Reimbursement income	2	499,395	565,803	(66,408)
Gain on modification of borrowings		-	-	-
Total income from operations		643,266	681,452	(38,186)
Expenses from operations				
Employee expenses	3	23,070	16,127	6,943
Supplies and services	4	475,757	552,612	(76,855)
Capital grant expense	5	66,344	25,053	41,291
Borrowing costs	6	77,527	85,227	(7,700)
Other expenses		568	1,253	(685)
Total expenses from operations		643,266	680,272	(37,006)
Net result		-	1,180	(1,180)
Total comprehensive loss		-	1,180	(1,180)

Explanations of major variances

V1 Grants revenue is lower than budget due to a reduction in grants associated with the revised timing of delivery of third party returned works.

V2 Reimbursement income is higher than budget due to the timing of project costs spend related to the European Train Control System (ETCS) and Rail, Integration and Systems Complementary and Associated Work Packages (RIS C&A), New Gold Coast Stations (NGCS) and Integration activities during the financial year.

V3 Employee expenses is lower than budget due to higher than expected vacancy rate.

V4 Supplies and services are higher than budget due to more work delivered on the ground than expected for ETCS, RIS C&A, NGCS and Integration activities during the financial year.

V5 Capital grants expense is lower than budget due to the revised timing of delivery of third party returned works.

V6 Borrowing costs is higher than budget due to the modification of the TSD package construction contract.

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to the Financial Statements
For the year ended 30 June 2024

25. Budgetary reporting disclosures (continued)

Statement of Financial Position

	Variance Note	Budget 2024 \$'000	Actual 2024 \$'000	Variance \$'000
Current assets				
Cash and cash equivalents	1	98,874	15,002	83,872
Trade and other receivables	2	227,294	230,171	(2,877)
Other current assets		257	4,495	(4,238)
Total current assets		326,425	249,668	76,757
Non-current assets				
Trade and other receivables	2	274,654	282,261	(7,607)
Property, plant and equipment	3	6,391,614	6,582,725	(191,111)
Right-of-use assets		-	777	(777)
Other non-current assets		-	5,385	(5,385)
Total non-current assets		6,666,268	6,871,148	(204,881)
Total assets		6,992,693	7,120,816	(128,123)
Current liabilities				
Trade and other payables	4	110,890	157,525	(46,635)
Borrowings	5	471,437	447,586	23,851
Lease liabilities		-	908	(908)
Accrued employee benefits		1,362	1,500	(138)
Total current liabilities		583,689	607,519	(23,830)
Non-current liabilities				
Borrowings	5	2,217,662	2,279,486	(61,824)
Total non-current liabilities		2,217,662	2,279,486	(61,824)
Total liabilities		2,801,351	2,887,005	(85,654)
Net assets		4,191,342	4,233,811	(42,469)
Equity				
Contributed equity		4,191,342	4,232,764	(41,422)
Accumulated deficit		-	1,047	(1,047)
Total equity		4,191,342	4,233,811	(42,469)

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to the Financial Statements For the year ended 30 June 2024

25. Budgetary reporting disclosures (continued)

Explanations of major variances

V1 Cash and cash equivalents are lower than budget due to delay in collection of receivables during the year and early utilisation of equity injection to enable the Delivery Authority to meet its obligations.

V2 Trade and other receivables are higher than budget due to delay in collection of receivables during the year.

V3 Property, plant and equipment is higher than budget due to more work delivered on the ground than expected for Rail, Integration and Systems (RIS).

V4 Trade and other payables are higher than budget due to more work delivered on the ground than expected for European Train Control System and RIS and increase in construction costs.

V5 Borrowings have been reclassified from non-current to current liability where the liability is expected to be settled within 12 months. The budget was prepared with the majority of borrowings showing as non-current. Borrowings are higher than budget due to the modification of the TSD package construction contract.

CROSS RIVER RAIL DELIVERY AUTHORITY

**Notes to the Financial Statements
For the year ended 30 June 2024**

25. Budgetary reporting disclosures (continued)

Statement of Cash Flows

	Variance Note	Budget 2024	Actual 2024	Variance
		\$'000	\$'000	\$'000
Cash flows from operating activities				
<i>Inflows:</i>				
Receipts from grants	1	66,344	30,422	35,922
Receipts from customers	2	578,695	490,182	88,513
Other	3	5,328	200,108	(194,780)
<i>Outflows:</i>				
Payments to employees	4	(23,127)	(16,904)	(6,223)
Payments to suppliers	5	(481,172)	(544,429)	63,257
Other	3	(79,925)	(168,408)	88,483
Net cash provided by/(used in) operating activities		66,143	(9,030)	75,173
Cash flows from investing activities				
<i>Outflows:</i>				
Payments for capital work in progress and property, plant and equipment		(355,003)	(345,344)	(9,659)
Net cash used in investing activities		(355,003)	(345,344)	(9,659)
Cash flows from financing activities				
<i>Inflows:</i>				
Equity injections	6	623,299	664,590	(41,291)
<i>Outflows:</i>				
Borrowing redemptions		(331,503)	(324,755)	(6,748)
Net cash provided by financing activities		291,796	339,835	(48,039)
Net increase/(decrease) in cash and cash equivalents		2,936	(14,538)	17,474
Cash and cash equivalents at beginning of reporting period		95,938	29,540	66,398
Cash and cash equivalents at end of reporting period		98,874	15,002	83,872

CROSS RIVER RAIL DELIVERY AUTHORITY

Notes to the Financial Statements For the year ended 30 June 2024

25. Budgetary reporting disclosures (continued)

Explanations of major variances

V1 Cash received from government grants is lower than budget due to a reduction in grants associated with the revised timing of delivery of third party returned works.

V2 Receipts from customers is lower than budget due to delay in collection of receivables during the year.

V3 Net cashflows for goods and services tax relate to the timing of payments for capital and operating projects and refund amount from the Australian Taxation Office.

V4 Cash paid to employees is lower than budget due to higher than expected vacancy rate.

V5 Cash paid to suppliers is higher than budget due to more work delivered on the ground than expected for European Train Control System and Rail, Integration and Systems.

V6 Equity injections are higher than budget due to revised cash flow timing to align with the payments for capital work in progress requirements.

CROSS RIVER RAIL DELIVERY AUTHORITY

**Management Certificate
For the year ended 30 June 2024**

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:

- (i) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- (ii) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Cross River Rail Delivery Authority for the year ended 30 June 2024 and of the financial position of the Cross River Rail Delivery Authority at the end of that year; and

We acknowledge responsibility under sections 7 and 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.



Sally Stannard

Board Chair

28/8 /2024



Graeme Newton

Chief Executive Officer

28/8/2024

INDEPENDENT AUDITOR'S REPORT

To the Board of Cross River Rail Delivery Authority

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Cross River Rail Delivery Authority.

The financial report comprises the statement of financial position as at 30 June 2024, 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 2024, 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.

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 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/ar4.pdf

This description forms part of my auditor's report.

Report on other legal and regulatory requirements

Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2024:

- 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.



29 August 2024

Vaughan Stemmett
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

Appendix 1

Board Meetings and Attendance

There were seven Board meetings between 1 July 2023 and 30 June 2024.

Attendance is outlined below.

Members	Attended	Eligible to Attend*
Ms Sally Stannard	7	7
Mr Mike Kaiser	2	(3)*
Mr Michael Carey	3	(4)*
Ms Julie Mitchell	6	7
Ms Ann-Maree Knox	1	(1)
Ms Tess Pickering	2	(4)*
^Mr Christopher Aston	2	(3)*
Mr Peter Milward	6	(6)*
#Mr Graham Davis	1	(1)*
Former Members		
Ms Rachel Hunter	3	(4)*
Ms Maryanne Kelly	3	(3)*
<p>*Number of meetings the member was qualified to attend as a Board member. *Ann-Maree Knox was Acting Deputy Director-General, Infrastructure Management and Delivery during Julie Mitchell's leave in June 2024 and attended the 19 June 2024 Board meeting. ^Christopher Aston was Acting DDG Planning and State Planner during Tess Pickering's leave July - September 2023. #Graham Davis was Acting DDG Translink during Peter Milward's leave in August 2023.</p>		

Appendix 2

2023-24 Compliance Checklist

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	A letter of compliance from the accountable officer or statutory body to the relevant Minister/s	ARRs – section 7	Page 1
Accessibility	Table of contents Glossary	ARRs – section 9.1	Page 3 Page 69
	Public availability	ARRs – section 9.2	Page 2
	Interpreter service statement	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3	Page 2
	Copyright notice	<i>Copyright Act 1968</i> ARRs – section 9.4	Page 2
	Information Licensing	<i>QGEA – Information Licensing</i> ARRs – section 9.5	Page 2
General information	Introductory Information	ARRs – section 10	Page 4-7
Non-financial performance	Government’s objectives for the community and whole-of-government plans/specific initiatives	ARRs – section 11.1	Page 8
	Agency objectives and performance indicators	ARRs – section 11.2	Page 6 Pages 8-11
	Agency service areas and service standards	ARRs – section 11.3	Page 12
Financial performance	Summary of financial performance	ARRs – section 12.1	Page 22

Governance – management and structure	Organisational structure	ARRs – section 13.1	Page 15
	Executive management	ARRs – section 13.2	Page 15-16
	Government bodies (statutory bodies and other entities)	ARRs – section 13.3	Page 6
	Public Sector Ethics	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	Page 18
	Human Rights	<i>Human Rights Act 2019</i> ARRs – section 13.5	Page 19
	Queensland public service values	ARRs – section 13.6	Page 20-21
Governance – risk management and accountability	Risk management	ARRs – section 14.1	Page 17
	Audit committee	ARRs – section 14.2	Page 18
	Internal audit	ARRs – section 14.3	Page 18
	External scrutiny	ARRs – section 14.4	Page 18-19
	Information systems and recordkeeping	ARRs – section 14.5	Page 19
	Information Security attestation	ARRs – section 14.6	Page 19
Governance – human resources	Strategic workforce planning and performance	ARRs – section 15.1	Page 21
	Early retirement, redundancy and retrenchment	Directive No.04/18 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2	Page 20
Open Data	Statement advising publication of information	ARRs – section 16	Page 21
	Consultancies	ARRs – section 31.1	Page 21
	Overseas travel	ARRs – section 31.2	https://www.data.qld.gov.au/
	Queensland Language Services Policy	ARRs – section 31.3	https://www.data.qld.gov.au/
Financial statements	Certification of financial statements	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	Page 63
	Independent Auditor’s Report	FAA – section 62 FPMS – section 46 ARRs – section 17.2	Page 64

FAA – *Financial Accountability Act 2009*

FPMS – *Financial and Performance Management Standard 2019*

ARRs – Annual report requirements for Queensland Government agencies

Appendix 3

Glossary of terms

Agency/entity

Used generically to refer to the various organisational units within Government that deliver services or otherwise service Government objectives. The term can include departments, commercialised business units, statutory bodies or other organisations established by Executive decision.

Capital

A term used to refer to an entity's stock of assets and the capital grants it makes to other agencies. Assets include property, plant and equipment, intangible items and inventories that an entity owns/controls and uses in the delivery of services.

Statement of cash flows

A financial statement reporting the cash inflows and outflows for an entity's operating, investing and financing activities in a period.

Depreciation

The periodic allocation of the cost of physical assets, representing the amount of the asset consumed during a specified time.

Equity

Equity is the residual interest in the assets of the entity after deduction of its liabilities. It usually comprises the entity's accumulated surpluses/ losses, capital injections and any reserves.

Equity injection

An increase in the investment of the Government in a public sector agency.

Financial statements

Collective description of the Income Statement, the Balance Sheet and the Cash Flow Statement for an entity's controlled and administered activities.

Government commitments

A pledge by the Government to deliver an outcome for its customers, stakeholders and the community (such as, Ministerial charter letter commitments and election commitments).

Income statement

A financial statement highlighting the accounting surplus or deficit of an entity. It provides an indication of whether the entity has sufficient revenue to meet expenses in the current year, including non-cash costs such as depreciation.

Outcomes

Whole-of-Government outcomes are intended to cover all dimensions of community wellbeing. They express the current needs and future aspirations of communities, within a social, economic and environment context.

Priorities

Key policy areas that will be the focus of Government activity.

Services

The actions or activities (including policy development) of an agency which contribute to the achievement of the agency's objectives.

Service area

Related services grouped into a high-level service area for communicating the broad types of services delivered by an agency.

Service standard

Define a level of performance that is expected to be achieved appropriate for the service area or service. Service standards are measures of efficiency or effectiveness.

State Budget

Tabled in Parliament annually, the State Budget is an outline of the Government's priorities and plans for the coming year, expressed in terms of financial and non-financial performance information. The State Budget papers consist of the Treasurer's Budget Speech, Budget Strategy and Outlook, Capital Statement, Budget Measures, Service Delivery Statements, and Regional Action Plans.

