

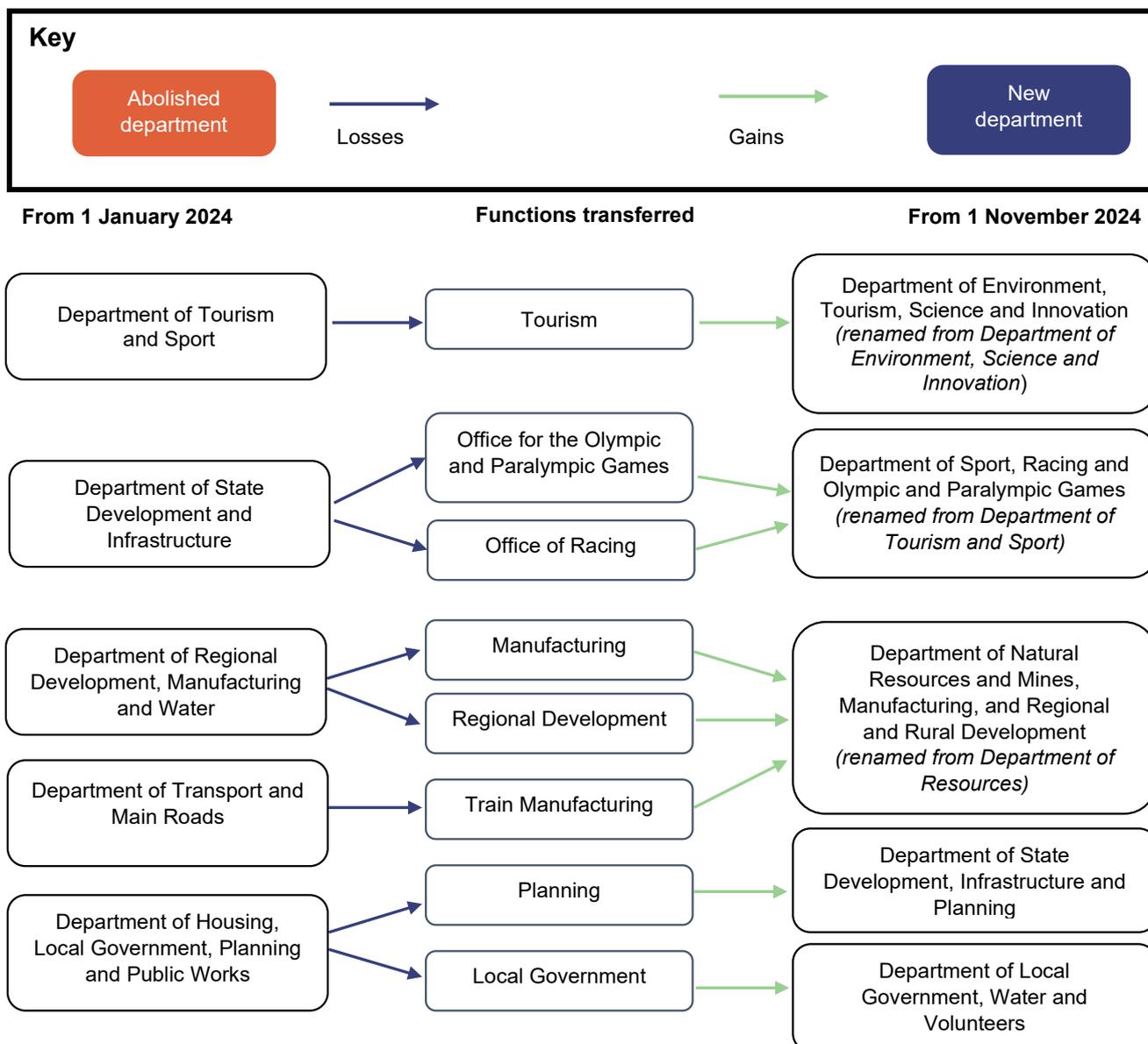
D. Machinery of government changes

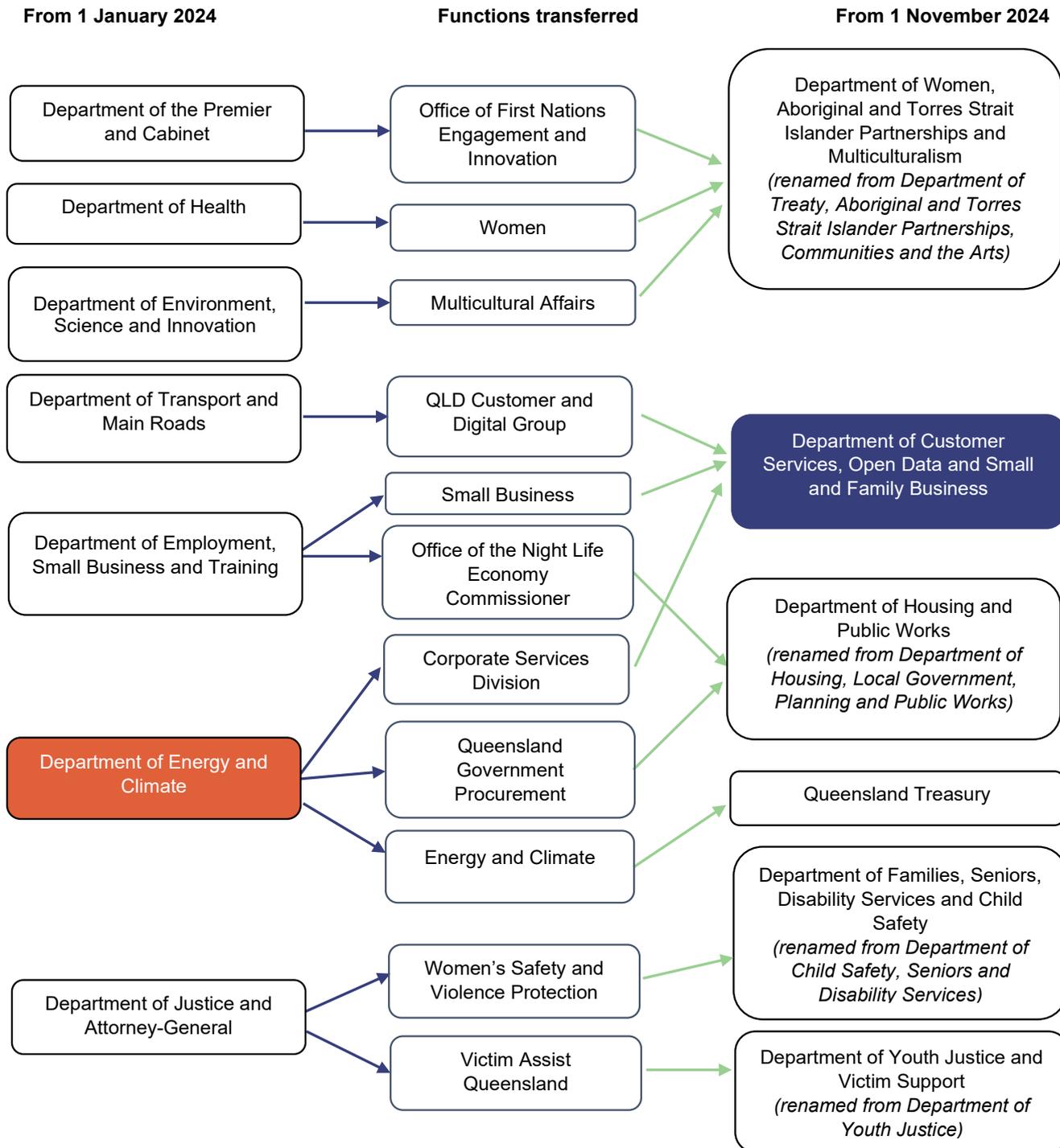
Functions of government that moved in machinery of government changes

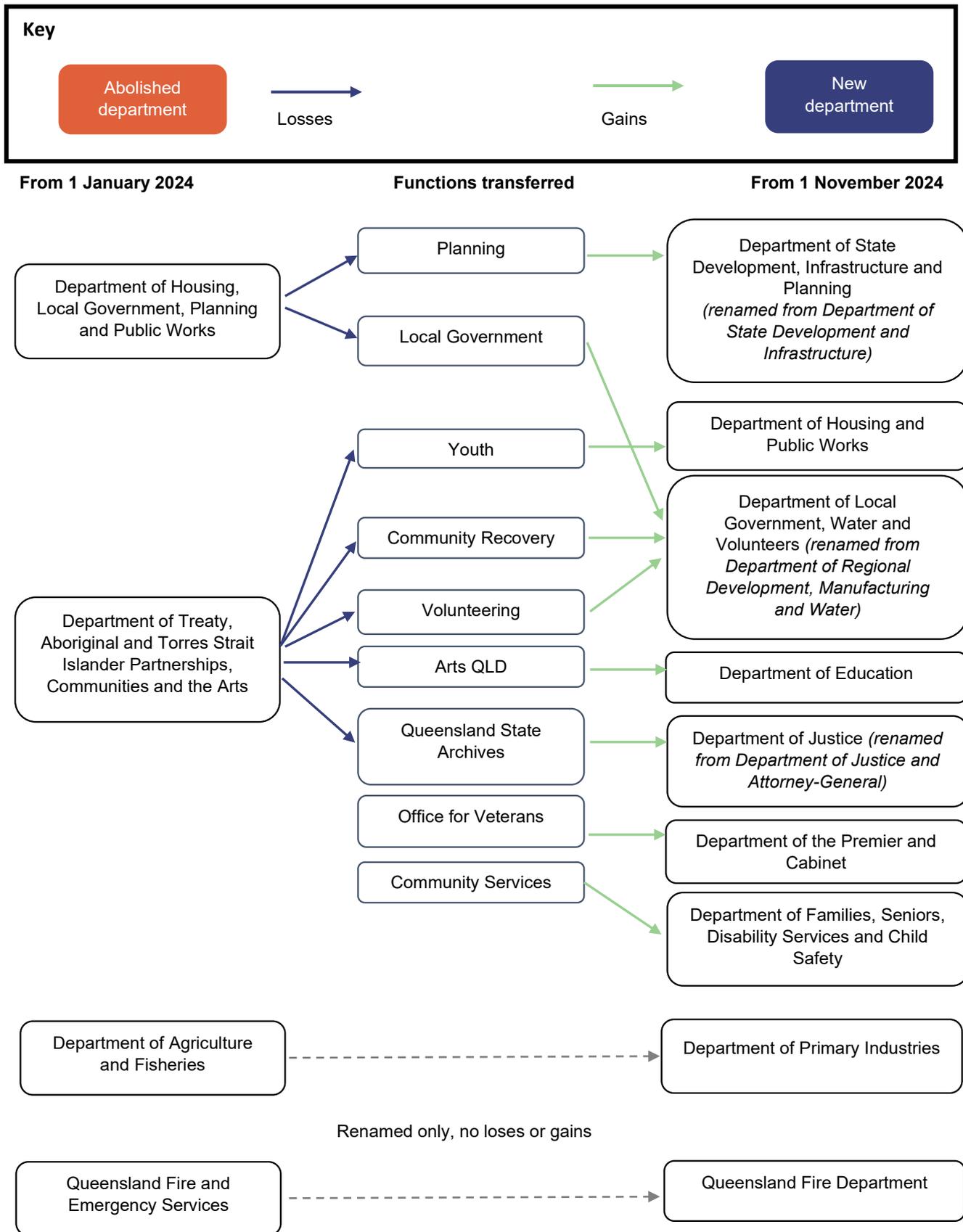
When departments are created, abolished, or government functions (and the associated re-allocation of resources and people between departments) are restructured these are referred to as ‘machinery of government’ changes. Machinery of government changes in December 2023 impacted our 2023–24 audits. We reported details (including the extent of) these changes in *State entities 2023* (Report 11: 2023–24). This report refers to the audit results of these entities as named then.

The state government announced further machinery of government changes on 1 November 2024, which are effective from that day. Figure D1 summarises these machinery of government changes and the extent of the functions transferred.

Figure D1
Functions that transferred in the 1 November 2024 machinery of government changes





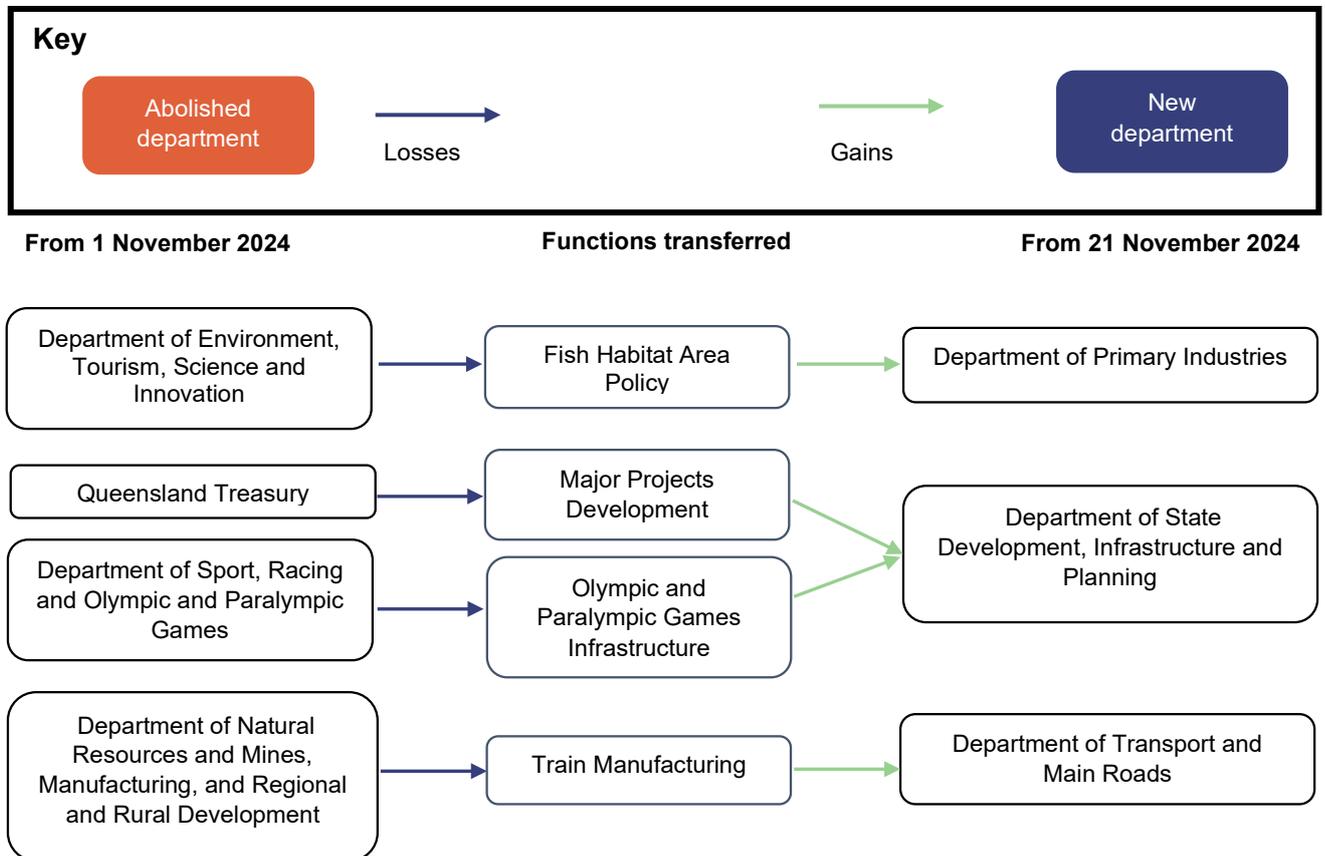


Source: Compiled by the Queensland Audit Office.



The state government announced further machinery of government changes on 21 November 2024, which are effective from that day. Figure D2 summarises these machinery of government changes and the extent of the functions transferred.

Figure D2
Functions that transferred in the 21 November 2024 machinery of government changes



Source: Compiled by the Queensland Audit Office.



Financial reporting impacts of machinery of government changes

When departments are created, abolished, or restructured through these machinery of government changes, we audit their financial statements for the part of the financial year they existed. We also ensure their financial statements accurately report any transfers of assets (such as buildings), liabilities (such as amounts owed to suppliers), and responsibilities between departments.

Figure D3 summarises how departments have been impacted by the 3 most recent machinery of government changes.

Figure D3
Impacts on departments due to machinery of government changes in December 2023 and November 2024

Impacts on departments from machinery of government changes	Departments impacted: December 2023 ¹	Departments impacted: November 2024 ²
New departments	1	1
Abolished departments	–	1
Departments that were restructured	12	23

Notes:

¹ We reported details about the changes arising from the December 2023 machinery of government in *State entities 2023*. These changes impacted the financial statements of departments for the 2023–24 financial year (and our related audits).

² We have presented details of the November 2024 restructures of government functions between departments in [Appendix D](#). These changes will impact the financial statements of departments in 2024–25. We will report the results of our audits of these financial statements in next year’s state entities report.

Source: Queensland Audit Office.

The restructures arising from machinery of government changes caused challenges for some departments in preparing timely and quality draft financial statements for 2023–24.

In *Implementing machinery of government changes* (Report 17: 2022–23), we recommended the Public Sector Commission develop a suite of templates for departments to use for future machinery of government changes. In October 2024, the Public Sector Commission released its *Machinery of government handbook*.



Guidance to help departments navigate the impacts of machinery of government changes

Entities across the public sector have developed guidance and tools to help departments better manage the impacts of machinery of government changes. These include:

- QAO’s *Checklist for managing machinery of government changes*
- QAO’s *Implementing machinery of government changes maturity model*
- Queensland Treasury’s *Guidelines for the Implementation of Machinery of Government (MOG) changes*
- Public Sector Commission’s *Machinery of government handbook*
- Queensland State Archives *Recordkeeping during MoG and administrative change*

