Acknowledgement of Country
The Department of Education acknowledges the traditional owners of the lands from across Queensland and pays respect to the Elders—past, present and emerging—for they hold the memories, traditions, the culture and hopes of Aboriginal and Torres Strait Islander peoples across the state.
A better understanding and respect for Aboriginal and Torres Strait Islander cultures develops an enriched appreciation of Australia’s cultural heritage and can lead to reconciliation. This is essential to the maturity of Australia as a nation and fundamental to the development of an Australian identity.

About the annual report
This annual report provides information about the Department of Education’s financial and corporate performance for 2017–18. The annual report plays an important role in fulfilling the department’s commitment to accountability and transparency.

The annual report refers to the department’s Strategic Plan 2017–2021 which communicates the important role our employees and partners play in preparing Queenslanders with the knowledge, skills and confidence to participate successfully in the community and the economy.

Interpreter services
The Department of Education is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty understanding the annual report, you can contact the Queensland Government (QGov) on 13 74 68 and we will arrange an interpreter to effectively communicate the report to you.

Providing feedback
We continually strive to meet best practice reporting standards and value the views of our readers. We invite you to provide feedback on this report by completing a survey on the Get Involved website qld.gov.au/annualreportfeedback.

Copies of this publication and open data reports can be obtained at ged.qld.gov.au/publications/reports/annual-report and data.qld.gov.au, by phoning 13 74 68, emailing GS&P@ged.qld.gov.au or by contacting Governance Strategy and Planning, PO Box 15033, City East QLD 4002.
ISSN 2200-9051
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Attribution
Content from this annual report should be attributed as:
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18 September 2018

The Honourable Grace Grace MP
Minister for Education and
Minister for Industrial Relations
PO Box 15033
CITY EAST QLD 4002

Dear Minister

I am pleased to submit for presentation to the Parliament the Annual Report 2017–18 and financial statements for the Department of Education.

Following machinery-of-government changes implemented on 12 December 2017 the former Department of Education and Training was restructured. The core functions of Education have become the prime focus of the new Department of Education. The Office of Industrial Relations from Queensland Treasury was also integrated into the new department. I certify that this Annual Report complies with:

- the prescribed requirements of the Financial Accountability Act 2009 and the Financial and Performance Management Standard 2009; and
- the detailed requirements set out in the Annual report requirements for Queensland Government agencies.

A checklist outlining the annual reporting requirements can be accessed at qed.qld.gov.au/publications/reports/annual-report.

Yours sincerely

TONY COOK
Director-General
Our vision for Queensland children and students, workplaces and communities is for all Queenslanders to be engaged and ready for our changing world. Achieving this starts with us.

In 2017–18, we lifted enrolment in early childhood education, and made significant progress closing the gap for our Indigenous students. We saw more students than ever before with a Queensland Certificate of Education or Queensland Certificate of Individual Achievement. We continued investing in our school infrastructure, delivering new schools and classrooms, and making sure we are prepared for future enrolments through our School Infrastructure Enhancement initiative and the $808 million Building Future Schools program.

We know our people are our greatest asset and a happier, healthier workforce has a positive impact on student outcomes. We will continue investing in our staff, making sure our frontline is provided with opportunities for professional development focused on delivering better outcomes for Queensland. We also need to make sure our best teachers have the opportunity to stay in the classroom. Over the past year, we piloted the Highly Accomplished Teachers and Lead Teachers initiative, and continued our support of the Aspiring Aboriginal and Torres Strait Islander Leaders and Aspiring Special Education Leaders programs.

While we have made great strides lifting our department’s outcomes, there is always room for improvement. We will continue targeting literacy, supporting our rural and remote students and staff, and keeping at-risk students engaged with learning for a better future.

The Office of Industrial Relations joined us this past year and continued its work to make Queensland a fairer and safer place to work. New ground-breaking industrial manslaughter laws were introduced, we saw a 20 per cent reduction in serious work related injuries and established a mandatory labour hire provider licensing scheme to protect vulnerable workers.

I would like to take this opportunity to thank our staff, across Education and Industrial Relations, for their hard work and ongoing commitment to making Queensland a great place to live and learn.

I look forward to working together in 2018–19 to deliver a better future for all Queenslanders.
Our department
About the department

The Department of Education is committed to ensuring Queenslanders have the education and confidence they need to make a positive contribution to our state. We are delivering world-class education services for Queenslanders at every stage of their development – from early years to the transition into the workforce.

The Office of Industrial Relations provides services, advice and standards to keep Queenslanders safe at work, strategies for better electrical safety at work and at home, workers’ compensation regulation and policy and industrial relations frameworks and public sector bargaining.

Our values

Our aim is to be a high-performing, productive workforce that puts the people of Queensland first. Our values guide the way we do business.

Our strategic direction

Education is Queensland’s future. We are working together to improve learning outcomes for students and prepare them to take advantage of the opportunities of a knowledge-based economy and contribute to Queensland’s prosperity. We want:

Every child making a confident start  
Every student succeeding  
To ensure safe, productive and fair workplaces

Our performance towards meeting our strategic objectives and outcomes for the 2017–18 financial year is detailed at the end of each chapter through our key performance indicators.
Our services

With over 1 million students and children, 17,000 school buildings, 1240 state schools, 2900 early years service providers and our regional offices, the Department of Education is working across Queensland to improve educational outcomes and workplace safety.

The department’s central office is located at Education House, 30 Mary Street, Brisbane QLD 4000. Our regional offices are found in each of our seven regions.

The Office of Industrial Relations central office is located at 1 William Street, Brisbane QLD 4000. Our Industrial Relations staff work across the regions, with offices in Brisbane, Sunshine Coast, Wide Bay, South East Queensland, South West Queensland, Central and North Queensland.
Our contribution to government objectives

As a result of machinery-of-government changes that came into effect on 13 December 2017, the former Department of Education and Training was renamed the Department of Education.

Our service delivery areas reflect early years, schooling, and industrial relations including, workplace health and safety.

- Early Childhood Education and Care
- School Education
- Training and Skills (1 July 2017–12 December 2017)
- Industrial Relations (13 December 2017–30 June 2018)

We are focused on preparing Queenslanders with the knowledge, skills and confidence to successfully participate in the community and Queensland’s economy.

The delivery of services provided by the department across Queensland support the Queensland Government’s objectives for the community of:
- creating jobs and a diverse economy
- delivering quality frontline services
- building safe, caring and connected communities.

Our operating environment

The department has statutory obligations with which to comply. As well as administering various Acts of Parliament (Appendix D), there are statutory obligations imposed on the agency such as compliance with the *Right to Information Act 2009* and the *Information Privacy Act 2009*.

The department has a particular focus on developing skills for a knowledge-based economy, promoting access to quality learning experiences, improving the quality of teaching and preparing students for post-school qualifications.

The department’s operations also include a range of significant initiatives as part of the government election commitments. The department’s income and controlled expenses are reported in the Chief Finance Officer and financial statements sections of this report.

We are focused on preparing Queenslanders with the knowledge, skills and confidence to successfully participate in the community and Queensland’s economy.
Looking forward 2018–2022

In July 2018, the department announced its strategic vision for the next four-years, continuing our commitment to preparing our students for a changing world and ensuring Queensland workplaces are safe and productive.

We will give all children a great start, help students engage with and create their future, make sure our workplaces are safe, fair and productive, and deliver responsive services through capable and confident staff.

Our Future State is a clear plan to advance Queensland into the future. With over 5 million people now calling Queensland home, we are focused on taking on our greatest challenges now.

The Queensland Government’s objectives for the community are set out in Our Future State: Advancing Queensland’s Priorities at ourfuture.qld.gov.au.

The department will contribute to the objectives:

- Create jobs in a strong economy
- Give all our children a great start
- Keep Queenslanders healthy
- Keep communities safe
- Be a responsive government

The department is working with Queensland Health to lead the give all our children a great start objective. Nothing is more important than doing our best to ensure the next generation of Queenslanders are healthy, resilient, and ready to be productive members of society. Our priorities include:

- Increasing the number of babies born healthier
- Increasing childhood immunisation rates
- Improving wellbeing prior to school
Our organisation
Our structure
As at 30 June

Statutory Bodies
Ministerial Advisory Councils

The Honourable GRACE GRACE MP
Minister for Education
Assistant Minister for Education

The Honourable BRITTANY LAUGA MP
Minister for Education

Regional Directors
HELEN KENWORTHY (M)
BEVAN BRENNAN (NC)
LEANNE WRIGHT* (DSW)
JOHN NORFOLK (SE)
MARGARET GURNEY (FNQ)
KIM FREDERICKS (CQ)
PETER KELLY (NQ)

Independent Public Schools
School Principals

Tony Cook*
Director-General

Functional reporting responsibility to the following EMB members:
• Early Childhood and Community Engagement
• State Schools

Early Childhood and Community Engagement
SHARON SCHIMMING*
Deputy Director-General

State Schools
PATREA WALTON*
Deputy Director-General

State Schools – Disability & Inclusion
DEBORAH DUNSTONE
Assistant Director-General

State Schools – Indigenous Education
SELWYN BUTTON
Assistant Director-General

State Schools – Operations
HAYLEY STEVENSON
A/Assistant Director-General

State Schools – Performance
LEANNE NIXON
Assistant Director-General

State Schools – Rural, Remote & International
DR REGAN NEUMANN
Assistant Director-General

Community Engagement & Partnerships
CHRIS BRANDT
Executive Director

Performance & Delivery
KATE STUCHBURY
Executive Director

Programs & Services
JENNIFER SHAW
Executive Director

Regulation Assessment & Service Quality
CATHERINE O’MALLEY
Executive Director

Strategy & Stakeholder Engagement
LISA MCCOY
Executive Director

Our structure
As at 30 June

Internal Audit
FRANCES ALVAREZ-PYNE
Head of Internal Audit

Office of the Director-General
NICK SEELEY
Executive Director

School Improvement Unit
DR LIAM SMITH
Assistant Director-General

Tony Cook*
Director-General

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Regulation Assessment & Service Quality
CATHERINE O’MALLEY
Executive Director

Strategy & Stakeholder Engagement
LISA MCCOY
Executive Director

* Indicates Executive Management Board (EMB) Member

Office of Industrial Relations
SIMON BLACKWOOD*
Deputy Director-General

Business & Corporate Services
ANDREW HARRIS
Executive Director

Electrical Safety Office
VICTORIA THOMSON
Executive Director

Industrial Relations
TONY JAMES
Executive Director

Specialised Health & Safety Services
JULIE NIELSEN
Executive Director

Workers’ Compensation
Policy & Services
JANENE HILLHOUSE
Executive Director

WHS Compliance & Field Services
MARC DENNETT
Executive Director

WHS Engagement & Policy Services
PAUL GOLDSBROUGH
Executive Director

Portfolio Services & External Relations
AMANDA DULVARIE
Executive Director

Registration Services
(Departmental, Non-State & Home Education)
DR PATRICK PARSONS
Executive Director

Strategic Policy & Intergovernmental Relations
PIA ST CLAIR
Assistant Director-General

Strategy & Performance
LESLEY ROBINSON
Assistant Director-General

Office of Industrial Relations
SIMON BLACKWOOD*
Deputy Director-General

Business & Corporate Services
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Executive Director

Electrical Safety Office
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WHS Engagement & Policy Services
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Regulation Assessment & Service Quality
CATHERINE O’MALLEY
Executive Director

Strategy & Stakeholder Engagement
LISA MCCOY
Executive Director

* Indicates Executive Management Board (EMB) Member
Our divisions

Office of Industrial Relations
The Office of Industrial Relations is responsible for regulatory frameworks, policy advice and compliance activities for workplace safety, electrical safety, industrial relations and workers’ compensation to make Queensland work and workplaces safer, fairer and productive.

Policy, Performance and Planning
Policy, Performance and Planning drives strategic direction across the department, from early childhood to Indigenous education. The division has oversight of grants, supports statutory bodies, delivers education-related strategic policy and intergovernmental relations functions, coordinates major internal and external research and reviews, and leads the development of the portfolio’s legislative instruments, performance monitoring and reporting functions, and governance, risk and planning.

State Schools
State Schools supports the work of 1240 Queensland state schools, preparing young Queenslanders with the knowledge, understandings, skills and values to live fulfilling, productive and responsible lives. State Schools supports regional and school planning to ensure that every student belongs to their school community, engages purposefully in their learning and experiences academic success.

Early Childhood and Community Engagement
Early Childhood and Community Engagement (ECCE) is focused on every child making a confident and positive start. ECCE supports the delivery of early childhood education and care services and provides strategic leadership in the development and implementation of policy, funding and regulatory frameworks that shape the early childhood education and care sector in Queensland.

Corporate Services
Our Corporate Services support the work of schools and business units by delivering high quality services across corporate procurement, finance, human resources, information technologies and infrastructure services functions.
Our governance
Our Executive Management Board
The Executive Management Board consists of the Director-General and representatives from each directorate.

Tony Cook PSM – Director-General
Tony began his career in Queensland and is a registered primary school teacher with a focus on early childhood education. Prior to joining the department in April 2018, Tony was the Associate Secretary for Schools and Youth within the Australian Government Department of Education and Training.

In October 2013, Tony was made an Honorary Fellow of the Australian Council for Educational Leaders and in January 2014 he was awarded a Public Service Medal (PSM) for driving school policy and funding reform in Australia.

Simon Blackwood – Deputy Director-General, Office of Industrial Relations
Simon has extensive industrial relations experience, including as Executive Director for Workplace Health and Safety Queensland and the Queensland Government’s Private Sector Industrial Relations division.

Simon received his PhD in sociology from the University of Queensland.

Annette Whitehead – Deputy Director-General, Policy, Performance and Planning
As Deputy Director-General, Policy, Performance and Planning, Annette is responsible for driving a strategic approach to policy development across early childhood, schooling and Indigenous education at a state and national level. Annette has extensive experience in developing and driving social policy initiatives, planning, program development and legislative reform in the public sector, non-government and private sectors, including in ageing, disability, child care and the Department of Premier and Cabinet.

Patrea Walton PSM – Deputy Director-General, State Schools
An experienced educator and former principal, Patrea is committed to every student succeeding and knows that great student outcomes are built on a foundation of empowered principals. Patrea’s achievements have been recognised through numerous honours, including being awarded a Queensland Fellowship by the Australian Council for Educational Leaders, being named national CEO Diversity Champion in 2016, and being awarded the Public Service Medal for services to education in 2017.

Sharon Schimming – Deputy Director-General, Early Childhood and Community Engagement
As a long-serving educator including over 20 years in principal positions and as a Regional Director, Sharon has worked with a range of communities across Queensland. Sharon is responsible for providing strategic leadership in the development and implementation of the innovation policy, funding and regulatory frameworks for the early childhood sector.

Jeff Hunt – Deputy Director-General, Corporate Services
Jeff is a former preschool and primary school teacher and principal, and has almost 30 years’ experience in the department. Prior to his current appointment, Jeff’s roles have included Assistant Director-General, Corporate Strategy and Performance; Executive Director, Performance Monitoring and Reporting; and Director, Workforce Modelling and Resourcing.

Leanne Wright – Regional Director
Leanne has over 20 years experience in public education as a teacher, school leader and policy maker. Skilled in educational leadership, strategic planning and change management, Leanne previously led policy development and implementation for curriculum and pedagogy, early childhood education and vocational education in Australian Capital Territory public schools. Leanne is committed to evidence-based practices that support highly effective teaching and improved student outcomes.

Duncan Anson – A/Assistant Director-General, Finance and A/Chief Financial Officer
Duncan served as the Chief Finance Officer in two other Queensland government departments prior to joining the Department of Education. Duncan is a Fellow of CPA Australia and Chair of the Queensland Public Sector Committee.

A list of our governance committees can be found at Appendix F.
The department achieved an operating surplus of $56.8 million in 2017–18, mainly due to the treatment of school-based activities. Schools operate on a calendar (academic) year rather than a financial year basis. This surplus is against a total departmental controlled budget of $9.479 billion after taking into account the impact of the machinery-of-government changes from 1 January 2018, which transferred the training and skills functions to the Department of Employment, Small Business and Training and the Office of Industrial Relations from Queensland Treasury. System developments are being finalised to facilitate these structural adjustments.

Key investments in 2017–18 included the roll out of the final tranche of the extra teachers and additional guidance officers election commitments, continued implementation of findings from the Review of School Administrative and Support Staff, implementation of the new senior assessment and tertiary entrance systems for students entering Year 11 from 2019, as well as investments under the Building Future Schools Fund to address enrolment growth pressures in state schools and funding for the construction of new halls, upgrade existing halls and land acquisitions for new schools.

During 2017–18 the School Budget Solution was deployed to all Queensland state schools. Further, the Promotional Positions Classification Review was progressed, including wide ranging consultation with internal and external stakeholders.

The first stage of the Leading the Management of the School project was also completed including an extensive internal and cross-jurisdictional scan of current resources available to Queensland state school principals.

Management of the Six Full Cohorts 2020 Ready program of works continued throughout 2017–18 with Queensland State School Resourcing with oversight and governance of this critical program of work.

Additional resourcing initiatives for science, technology, engineering and mathematics (STEM) expertise in Queensland state primary schools and increased information technology (IT) support officers in Queensland state schools was successfully implemented.

Following amendments to the *Australian Education Act 2013* in 2017, Queensland is required to enter an agreement with the Federal Government to secure federal funding for schooling. An interim one-year agreement for 2018 was reached in December 2017, with negotiations ongoing towards a longer term agreement.

In accordance with the requirements of section 77(2)(b) of the *Financial Accountability Act 2009*, I have provided the Director-General with a statement that the financial internal controls of the department are operating efficiently, effectively and economically in conformance with section 57 of the *Financial and Performance Management Standard 2009*. As Chief Finance Officer, I have therefore fulfilled the minimum responsibilities as required by section 77(1)(b) of the *Financial Accountability Act 2009*.

**Duncan Anson FCPA**

Assistant Director-General, Finance

Chief Finance Officer
For a comprehensive set of financial statements covering all aspects of the department's activities, see the financial statements section of this annual report. No totals have been adjusted for commercial-in-confidence requirements.

Table 1: Financial snapshot

<table>
<thead>
<tr>
<th></th>
<th>2013–14 $(000)</th>
<th>2014–15 $(000)</th>
<th>2015–16 $(000)</th>
<th>2016–17 $(000)</th>
<th>2017–18* $(000)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Controlled revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Departmental services revenue</td>
<td>7 604 826</td>
<td>7 910 179</td>
<td>8 350 390</td>
<td>8 780 098</td>
<td>8 788 389</td>
</tr>
<tr>
<td>Other revenues</td>
<td>755 721</td>
<td>522 252</td>
<td>559 808</td>
<td>575 439</td>
<td>623 685</td>
</tr>
<tr>
<td>Controlled expenses</td>
<td>8 360 444</td>
<td>8 355 600</td>
<td>8 873 657</td>
<td>9 326 720</td>
<td>9 355 315</td>
</tr>
<tr>
<td>Operating surplus/(deficit)</td>
<td>103</td>
<td>76 831</td>
<td>36 541</td>
<td>28 817</td>
<td>56 759</td>
</tr>
<tr>
<td>Administered grants (state)</td>
<td>773 613</td>
<td>794 329</td>
<td>851 555</td>
<td>848 821</td>
<td>875 602</td>
</tr>
<tr>
<td>Capital outlays</td>
<td>532 099</td>
<td>344 322</td>
<td>420 454</td>
<td>582 017</td>
<td>609 490</td>
</tr>
<tr>
<td>Total assets</td>
<td>18 450 300</td>
<td>17 665 417</td>
<td>19 217 752</td>
<td>20 338 601</td>
<td>19 600 361</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>1 078 339</td>
<td>896 762</td>
<td>1 041 797</td>
<td>1 206 409</td>
<td>901 837</td>
</tr>
<tr>
<td>Net assets/(liabilities)</td>
<td>17 371 961</td>
<td>16 768 655</td>
<td>18 175 955</td>
<td>19 132 192</td>
<td>18 698 524</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2013–14 $(000)</th>
<th>2014–15 $(000)</th>
<th>2015–16 $(000)</th>
<th>2016–17 $(000)</th>
<th>2017–18 $(000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee expenses ($000)</td>
<td>5 934 253</td>
<td>5 544 265</td>
<td>5 931 087</td>
<td>6 248 689</td>
<td>6 600 850</td>
</tr>
<tr>
<td>Number of employees at 30 June (FTE)</td>
<td>67 952</td>
<td>65 706</td>
<td>68 103</td>
<td>69 356</td>
<td>72 341</td>
</tr>
</tbody>
</table>

Note: Due to machinery-of-government changes, Training and Skills functions transferred to the Department of Employment, Small Business and Training effective 1 January 2018, and Industrial Relations was transferred in to the department from Queensland Treasury.
Source: Department of Education
Our income – where the funds come from

We received $9.412 billion for our operations, an increase of $57 million from last year, mainly due to higher grants and contributions from WorkCover because of the inclusion of Office Industrial Relations from 1 January 2018.

Departmental services revenue increased by $8 million. This was largely due to additional funding for state school enrolment growth, enterprise bargaining, and increased Australian Government funding under the National Education Reforms – Students First program that was offset by transfer out of funding for Training and Skills functions to the Department of Employment, Small Business and Training (DESBT).

The department also received $3.424 billion in administered funding, an increase of $181 million from 2016–17. Administered funding includes Commonwealth funding transfers to non-government schools, as well as state grants to statutory authorities, peak bodies for non-state schools, and other entities, enabling them to deliver agreed services to Queenslanders.

Figure 1: Income, 2017–18

Source: Department of Education
Our expenses – how the funds are spent

The department’s total expenses for 2017–18 were $9.355 billion, an increase of $29 million from last year. Employee expenses remain the agency’s major expense component at 70.6 per cent of total expenses. This is in line with the agency’s commitment to improved student outcomes by supporting teachers to focus on student needs through providing more teachers in schools.

Figure 2: Expenses, 2017–18

Employee expenses 70.6%

Other expenses 0.9%

Supplies and services 15.7%

Grants and subsidies 6.8%

Depreciation and amortisation 5.5%

Finance/borrowing costs 0.5%

Total 100%

Source: Department of Education

Figure 3: Average cost per student in state schools, 2017–18


Source: Department of Education
Our assets – what we own

The department held assets totalling $19.6 billion at 30 June 2018, a decrease of $738 million from 2016–17.

The majority of our assets are in land and buildings. Property, plant and equipment decreased by $616 million mainly due to the transfer of training land and buildings to Department of Employment, Small Business and Training (DESBT), which was offset by increased asset revaluations, and capital works including for the Building Future Schools program.

There was also a decrease in the department’s cash position mainly due to transfers to DESBT, and timing of payments for capital works.

Our liabilities – what we owe

The department held liabilities totalling $902 million at 30 June 2018, a decrease of $305 million from 2016–17. This decrease is mainly due to transfer of lease liabilities associated with the Southbank Education and Training Precinct to DESBT, along with provision for training subsidies.

Leased assets and corresponding finance lease liabilities for the Aspire South East Queensland Schools, and the Queensland Schools — Plenary programs are held by the department and form the majority of our financial liabilities.

Figure 4: Value of property, plant and equipment


Source: Department of Education
Our service performance
Every child making a confident start

Engaging early with families and children to give them the best start

Quality services and support in the early years of a child’s life are crucial to providing the building blocks for their future learning and life outcomes. The department is committed to enabling access for every child to high-quality and inclusive early childhood education and care services across the state. We are also focusing on strengthening support for successful transitions to school, helping all children to make a confident start.

In 2017–18, we continued to invest in our children’s future by:

Improving access to early childhood education for all children

Every child’s needs are unique. Our inclusive programs are improving early childhood access and outcomes for some of Queensland’s most vulnerable children. Programs are focused on building capability for services to support access to Aboriginal and Torres Strait Islander children, children with disability, children experiencing disadvantage, refugee and asylum-seeker children and children in rural and remote communities.

Supporting age-appropriate pedagogy in the early years

Research tells us children learn best when they are actively engaged in purposeful learning experiences that build on their interests, strengths and capabilities. We are establishing strong foundations for children’s continuity of learning through a return to age-appropriate pedagogies that underpin active, purposeful, creative learning experiences in the early years of schools (Prep to Year 2).

Enrolments in an early childhood education program in 2017

<table>
<thead>
<tr>
<th>All Queensland children</th>
<th>Disadvantaged communities</th>
<th>Indigenous children</th>
</tr>
</thead>
<tbody>
<tr>
<td>99.0%</td>
<td>90.7%</td>
<td>91.7%</td>
</tr>
<tr>
<td>98.3% in 2016</td>
<td>85.3% in 2016</td>
<td>89.6% in 2016</td>
</tr>
</tbody>
</table>

*In November 2017, the Australian Bureau of Statistics revised the 2016 estimates using a new data linkage methodology. Previous reported result of 108.5% is now 98.3% for all children, 93.1% is now 89.6% for Indigenous children and 94.2% is now 85.3% for disadvantaged communities. Results from 2016 onwards are not comparable with earlier years.*
Supporting the transition to school
Starting school is an important milestone for all children and a successful transition to school is a core outcome for Early Childhood Education and Care. Queensland schools are being supported to be ready to meet the needs of children and families, to embrace diversity within their community, and to maximise continuity of teaching and learning for children as they transition into school. We are continuing to provide resources and support to promote a collaborative, networked approach across schools and early childhood services, in partnership with families and the community to support a confident start to school.

Helping families make the early years count
From day one, parents and families play a vital role in providing love, attention and interesting experiences to stimulate a child’s development. We are helping make The Early Years Count by providing information and activities specific to each child and family based on age, relationship, location and activity preference at earlyyearscount.earlychildhood.qld.gov.au.

Monitoring the quality of early education services
We know the developmental, learning and social benefits associated with early childhood education are contingent upon the quality of services. That is why we are striving for continual improvement in Queensland’s early childhood education and care services.

We are improving regulatory practices under the Regulating for Quality initiative to drive consistency of regulatory practice and continuous quality improvement in early childhood education and care, including tailored interventions to address potential risk.

Partnering with local community leaders to make sure children are ready for kindy
We are working with the Institute for Urban Indigenous Health to promote the importance of early childhood education and to ensure Aboriginal and Torres Strait Islander children are kindy-ready in 20 locations across South East Queensland through the Deadly Kindies project.

Building a skilled and capable workforce
Our passionate and qualified early childhood teachers and educators make a difference to the lives of our youngest Queenslanders. Through the Early Childhood Education and Care Workforce Action Plan 2016–19 we support the early childhood workforce so they are professional, qualified and skilled to provide educational programs that lead to better outcomes for children.

Support initiatives include promoting early childhood as a career of choice, providing early childhood teacher scholarships, and study support for educators, including Aboriginal and Torres Strait Islander educators in remote communities.
The Institute for Urban Indigenous Health (IUIH) and the Department of Education are working together to support Aboriginal and Torres Strait Islander children as they transition into kindy.

Through the IUIH network of Aboriginal Medical Services, the Deadly Kindies program supports children across South East Queensland with access to free, pre-kindy health checks.

Ambassador Johnathan Thurston works closely with Deadly Kindies to promote the benefits of kindy, help Aboriginal and Torres Strait Islander children and their families access kindy and make sure more kids are kindy-ready.

Children who have received all their age-appropriate health checks and have registered their interest in kindy receive a Kindy Kit containing a kindy backpack, shirt, hat, lunch box, drink bottle, library bag, sheets and a blanket.

IUIH CEO Adrian Carson recognises that getting kids prepared for and engaged in education directly impacts the health and wellbeing of themselves, their families and their communities long into the future.

‘While these Kindy Kits give kids all the items they need for a day at kindy, making sure they are kindy-ready also relies on providing them with access to a range of services such as speech therapy, audiology and eye health checks.’

These services help our little ones to participate in kindy and develop the skills they will need when they go to school.
<table>
<thead>
<tr>
<th>Service standards</th>
<th>Notes</th>
<th>2017-18 Target/Est.</th>
<th>2017-18 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Effectiveness measures</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proportion of Queensland children enrolled in an early childhood education program</td>
<td>1, 2, 3, 4</td>
<td>95%</td>
<td>99.0%</td>
</tr>
<tr>
<td>Proportion of enrolments in an early childhood education program:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indigenous children</td>
<td>1, 2, 3, 4, 5, 6, 7</td>
<td>95%</td>
<td>91.7%</td>
</tr>
<tr>
<td>Children who reside in disadvantaged areas</td>
<td></td>
<td></td>
<td>95%</td>
</tr>
<tr>
<td>Proportion of children developmentally on track on four or more (of five) Australian Early Development Census (AEDC) domains</td>
<td>8</td>
<td>65%</td>
<td>64.9%</td>
</tr>
<tr>
<td><strong>Efficiency measure</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average cost of service per child – kindergarten</td>
<td>9</td>
<td>New measure</td>
<td>New measure</td>
</tr>
</tbody>
</table>

Notes:
1. The National Early Childhood Education and Care Census is conducted in the first week of August each year. Data is published by the Australian Bureau of Statistics (ABS) in the *Preschool Education Australia* publication catalogue 4240.0.
2. The nationally agreed benchmark established under the National Partnership Agreement (NPA) on Universal Access to Early Childhood Education is 95 per cent. Under the NPA for Universal Access to Early Childhood Education, Queensland is committed to achieving and maintaining access to an early childhood education program for all children in the year before full-time school.
3. Early childhood education program: a quality play-based program in accordance with the Early Years Learning Framework and the National Quality Standard delivered by a degree-qualified early childhood teacher to children in the year before full-time school.
4. In November 2017, the ABS republished *Preschool Education Australia 2016*, using a new counting methodology for enrolments in early childhood education programs. These results represent a break in series and are not comparable to data published in previous years.
5. The measures represent the proportion of children enrolled from each cohort group as a proportion of the estimated total population for that cohort group in Queensland.
6. Indigenous: a person who identifies at enrolment to be of Aboriginal and/or Torres Strait Islander origin.
7. Disadvantaged: a person who resides in statistical areas classified by the ABS in the bottom quintile using the Index of Relative Socio-Economic Disadvantage.
8. The AEDC is a population measure of how children have developed by the time they start school. Data is captured on five domains of early childhood development: physical health and wellbeing, social competence, emotional maturity, language and cognitive skills, and communication skills and general knowledge. It is a national census based on a large population, which tends to change incrementally.
9. The census is conducted every three years with the last census conducted in 2015. The 2017–18 Actual are based on the 2015 census results.
10. This is a new efficiency measure for the service area. It is calculated by dividing Queensland Government real recurrent expenditure on kindergarten (preschool) services by the number of four-and five-year-old children enrolled in kindergarten in Queensland. The cost per service does not include fees paid by parents and carers.
Through the Pathways for Early Learning and Development (PELD) initiative, early childhood educators are working alongside family support workers. They are delivering programs that focus on the child, while addressing broader family needs, such as housing, unemployment, domestic and family violence, drug and alcohol dependency and mental health.

We know that an integrated, cross-disciplinary, multi-generational approach to service delivery improves educational and developmental outcomes for some of Queensland’s most vulnerable and disadvantaged children.

When we piloted the Intensive Early Childhood Development program, we found that at the end of the pilot, 85 per cent of children engaged in the program were at an adequate or better level in terms of their school readiness due to improvements in their confidence and social skills. Parents also showed marked improvement in their parenting capability, confidence and parent–child interactions, which in turn reduced children’s developmental risk factors impacting on their successful transition to school. PELD builds on the lessons we learned through the pilot and helps vulnerable children and families to access early learning and development programs, supported playgroups, parenting programs, specialist services and home visiting support.

In 2018, PELD is working in 12 priority locations across Queensland, including Bundaberg, Burnett/Kingaroy, Cape York (Cooktown), Darling Downs West (Roma), Gold Coast, Ipswich, Lockyer Valley (Gatton), North Brisbane, Southern Darling Downs (Warwick), Toowoomba, Townsville and Wide Bay (Maryborough).
Every student succeeding

Lifting educational outcomes and preparing confident, future-focused students.

Queensland state schools are supporting students to become lifelong learners and global citizens. We want Queensland students solving real-world challenges through critical thinking, teamwork, co-design, innovation and entrepreneurship.

By implementing all eight learning areas of the Australian Curriculum all Queensland students will have the knowledge, understandings, skills and values to engage in lifelong learning. The curriculum supports Queensland students to have positive transitions through schooling to further education and work and to take advantage of every available opportunity.

We are continuing to provide high quality curriculum through our implementation of the Australian Curriculum and our world-class Curriculum into the Classroom (C2C) resources.

In 2017–18, we continued lifting educational outcomes and nurturing our students by:

Fostering the wellbeing of every student

Our young people are growing up in a world driven by new technologies and economic globalisation. Their future means they need a new set of cognitive, social and emotional skills for success. Healthy, confident and resilient young people who can successfully navigate a more complex world are vital for Queensland’s future. We are supporting schools to foster student wellbeing through delivering the Student Learning and Wellbeing Framework.

Healthy, confident and resilient young people who can successfully navigate a more complex world are vital for Queensland’s future.

The Framework guides schools to implement a whole-school approach to student wellbeing through creating safe, supportive and inclusive environments, building the capability of staff, students and the school community to understand mental health and wellbeing and developing strong systems for early intervention.

Our state schools must continue to provide inclusive environments that nurture the wellbeing of all our students so they become resilient lifelong learners who respond positively to their changing world and pursue their passions with confidence.
Mercedes loves going to school. She’s involved in school activities and enjoys spending time with her friends. She has Down syndrome and a hearing impairment but that does not stop her from being included in the classroom. With the support of a teacher aide, Mercedes is taught in Auslan alongside her peers every lesson.

To make sure Mercedes feels part of her school community, Mitchell State School, 587 kilometres west of Brisbane, introduced Auslan as the language other than English for all primary students. Students are not only learning valuable lessons about being respectful of our differences, they are learning a lifelong skill.

Mercedes’ family and team of specialists also work closely with the school to ensure she’s supported every step of the way, both at home and in the classroom.
Preparing for the new senior assessment and tertiary entrance systems

We are preparing to implement the new Queensland Certificate of Education (QCE) system for students entering Year 11 from 2019. The Queensland Government invested $20.1 million in 2017–18 (over $72.9 million in 2015–16 to 2019–20) to support the changes to the systems.

We are ensuring a successful transition to the new QCE system by providing regions, principals and schools with targeted professional development, key preparation resources and strategic communications. We've identified the support and information that schools need by analysing the data collected from our surveys and visits to every state secondary and P–12 school throughout 2017.

We have provided schools with the New QCE System — Statement of Expectations to support them over the 2018–2020 transition period. We have established professional education communities by developing strong communications with schools through the Senior Assessment and Tertiary Entrance (SATE) Discussion List and SATE Essentials for State Schools newsletter. These activities are assisting schools to plan for the new system by prioritising actions to achieve sustainable change.

Supporting our rural and remote teachers and students

We are targeting initiatives to improve literacy and numeracy and to ensure that all students are engaged in their learning. We are using digital technologies to help students reach beyond the classroom and working together with families, communities and key partners to nurture the wellbeing of students.

We have invested in expanding the boarding facilities for Tagai State College and are establishing four new Centres for Learning and Wellbeing focused on professional learning, teaching excellence, developing cultural capability and creating inclusive school environments.

Preparing our students for the future

In 2018, the Advancing STEM in Queensland state primary schools initiative began. Over four years (2018–2019 to 2021–2022) state primary schools will source expertise from local secondary schools, universities or industry to make science, technology, engineering and mathematics (STEM) learning more active, engaging and to prepare students for the future.

We are supporting schools to deliver a world-class STEM education to every young Queenslander by supporting schools to inquire into their STEM education programs, build teacher capability, develop a culture of high achievement in STEM education and increase student participation in STEM learning. We are building teacher capability through providing STEM online professional development modules developed in partnership with Griffith University.

In 2018, we also launched the Robotics for the Future initiative to support schools to teach coding and robotics while ensuring every state school offers the digital technologies curriculum. We are continuing to develop our students’ creative and entrepreneurial skills through design, technology and the arts with the Queensland Entrepreneurs of Tomorrow program.

We are expanding the study of languages and cultures to ensure students have the skills and confidence to interact across cultures as successful global citizens. In 2018, for the first time, Premier’s Reading Challenge included book titles other than English—available in Chinese, French, German and Japanese for Prep to Year 3.
Integrating services for Aboriginal and Torres Strait Islander students

We are using targeted strategies to support Aboriginal and Torres Strait Islander students to excel in their learning. In 2017–18, we delivered Be well Learn well, an early intervention strategy addressing the learning and social developmental needs for Aboriginal and Torres Strait Islander students from Prep to Year 12 in identified remote schools. We know that by intervening early and making sure students get the support they need, they can thrive at school.

We are keeping students engaged by implementing a suite of sports-related programs and providing targeted engagement incentives to encourage young Aboriginal and Torres Strait Islander women in Years 7 to 12 to stay in school and complete Year 12.

Reconnecting young people who become disengaged

There is no one-size-fits-all approach to meeting the complex needs of children and young people who disengage from education. In 2017–18, our Regional Youth Engagement Hubs continued to reconnect young people who have become disconnected, with 2305 young people supported to re-engage in 2017, and current numbers indicating we are well on track to exceed this number in 2018. We continued to build on work undertaken by the Youth Engagement Alliance to identify how all government agencies can work together to support at-risk children and young people to succeed.

Maximising outcomes for students with disability

We continue our work towards lifting the educational outcomes for students with disability by implementing the recommendations from the Review of education for students with disability in Queensland state schools and strategies outlined in the Every Student with Disability Succeeding plan. We want to make sure that all students achieve academically and socially, and our revised Inclusive Education Policy highlights our shared vision for how we will achieve this.

We are continuing to build capacity in schools to include and engage students with disability through having high expectations, professional learning for teachers and school leaders, and authentically partnering with parents.

Making sure all students have a strong foundation in literacy

Instilling a love of reading in children sets them up to succeed. We are complementing the efforts of our schools and parents to establish a solid foundation in literacy through reintroducing the Queensland Ready Reading Program. Over the next three years, we are recruiting and training up to 3000 volunteers in partnership with Volunteering Queensland to boost student literacy outcomes across Queensland.

We are continuing to support planning for and monitoring of literacy and numeracy improvement in schools through the use of Early Start tasks for Prep to Year 2 and the P–10 Literacy continuum, its associated resources and online monitoring tool in OneSchool. The Literacy P–12 website houses literacy projects and materials for state schools, including access to the Teaching reading in Queensland state schools website, a central platform for strategies and policy related to the teaching of reading.

From 2018, we commenced a short-term writing intervention, Getting kids writing: one sentence at a time to improve NAPLAN Writing scores, as part of the long-term writing improvement strategy. Getting kids writing: one sentence at a time provides a series of strategies for primary and secondary schools to improve student writing, and provides explicit instruction in teaching students to write.

To ensure that all students have a strong foundation for learning, we are continuing to support students in disadvantaged areas to make successful transitions to school and improve family engagement through the Step up into Education initiative.

98.1% Proportion of Year 12 students awarded a QCE or QCIA

97.8% previously

78.6% Proportion of OP/IBD students who received an OP 1–15 or an IBD

77.7% previously

86.1% Proportion of students who, six months after completing Year 12, are participating in education, training or employment
### Service standards

#### Notes

1. These service standards relate to the state schooling sector only.

2. The National Assessment Program—Literacy and Numeracy (NAPLAN) tests are conducted in May each year. The 2017–18 Actual reflects the 2017 NAPLAN outcomes.

3. NAPLAN National Minimum Standard targets represent the aspirational goals for achievement against these measures and should be read in conjunction with other NAPLAN data, which show a broad and sustained improvement trajectory since testing commenced.

4. Indigenous: a person who identifies at enrolment to be of Aboriginal and/or Torres Strait Islander origin.

5. Data for 2017 graduates provided by the Queensland Curriculum and Assessment Authority as at February 2018.

6. ‘Students’ refers to Year 12 completers. Data is sourced from the Next Step Survey conducted by the department each year. The 2017–18 Actual reflects the 2017 Next Step Survey data of 2016 Year 12 completers.

7. Economic and employment conditions which prevail when students leave school have a significant impact on this measure.

8. This is a whole-of-government measure that is influenced by a range of policy, program and service delivery initiatives administered at local, state and national levels. Other stakeholders directly contributing to this outcome include the Queensland Department of Employment, Small Business and Training, Queensland Treasury, the Australian Government Department of Education and Training as well as the non-government sector.

9. Parents and caregivers each year are asked to respond about their level of satisfaction over the school year through the School Opinion Survey. This figure represents the results from the 2017 survey.

#### Service: School education

**Effectiveness measures**

<table>
<thead>
<tr>
<th>Year 3 Test—Proportion of students at or above the National Minimum Standard:</th>
<th>Notes</th>
<th>2017-18 Target/Est.</th>
<th>2017-18 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>All students:</td>
<td></td>
<td>95%</td>
<td>93.1%</td>
</tr>
<tr>
<td>Reading</td>
<td></td>
<td>95%</td>
<td>93.1%</td>
</tr>
<tr>
<td>Writing</td>
<td></td>
<td>96%</td>
<td>95.1%</td>
</tr>
<tr>
<td>Numeracy</td>
<td></td>
<td>95%</td>
<td>93.9%</td>
</tr>
<tr>
<td>Indigenous students:</td>
<td>2, 3, 4</td>
<td>Reading</td>
<td>87%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Writing</td>
<td>90%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Numeracy</td>
<td>86%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year 5 Test—Proportion of students at or above the National Minimum Standard:</th>
<th>2, 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>All students:</td>
<td>Reading</td>
</tr>
<tr>
<td></td>
<td>Writing</td>
</tr>
<tr>
<td></td>
<td>Numeracy</td>
</tr>
<tr>
<td>Indigenous students:</td>
<td>2, 3, 4</td>
</tr>
<tr>
<td></td>
<td>Writing</td>
</tr>
<tr>
<td></td>
<td>Numeracy</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year 7 Test—Proportion of students at or above the National Minimum Standard:</th>
<th>2, 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>All students:</td>
<td>Reading</td>
</tr>
<tr>
<td></td>
<td>Writing</td>
</tr>
<tr>
<td></td>
<td>Numeracy</td>
</tr>
</tbody>
</table>
### Service standards

<table>
<thead>
<tr>
<th>Notes</th>
<th>2017-18 Target/Est.</th>
<th>2017-18 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indigenous students:</td>
<td>2, 3, 4</td>
<td></td>
</tr>
<tr>
<td>Reading</td>
<td>88%</td>
<td>75.0%</td>
</tr>
<tr>
<td>Writing</td>
<td>78%</td>
<td>63.1%</td>
</tr>
<tr>
<td>Numeracy</td>
<td>91%</td>
<td>85.3%</td>
</tr>
</tbody>
</table>

Year 9 Test—Proportion of students at or above the National Minimum Standard:

<table>
<thead>
<tr>
<th>Notes</th>
<th>2017-18 Actual</th>
</tr>
</thead>
</table>

| All students: | 2, 3 | |
| Reading | 90% | 87.2% |
| Writing | 86% | 69.3% |
| Numeracy | 96% | 95.8% |

Indigenous students:

<table>
<thead>
<tr>
<th>Notes</th>
<th>2017-18 Actual</th>
</tr>
</thead>
</table>

| Year 12 students awarded Certification i.e. Queensland Certificate of Education (QCE) or Queensland Certificate of Individual Achievement (QCIA) | 5 | 98% | 98.1% |

Proportion of Year 12 students who are completing or have completed a school-based apprenticeship or traineeship (SAT) or were awarded one or more of: Queensland Certificate of Education (QCE), International Baccalaureate Diploma (IBD), or Vocational Education and Training (VET) qualification

<table>
<thead>
<tr>
<th>Notes</th>
<th>2017-18 Actual</th>
</tr>
</thead>
</table>

Proportion of Overall Position (OP)/International Baccalaureate Diploma (IBD) students who received an OP 1 to 15 or an IBD

<table>
<thead>
<tr>
<th>Notes</th>
<th>2017-18 Actual</th>
</tr>
</thead>
</table>

Proportion of students who, six months after completing Year 12, are participating in education, training or employment

<table>
<thead>
<tr>
<th>Notes</th>
<th>2017-18 Actual</th>
</tr>
</thead>
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Proportion of parents satisfied with their child’s school

<table>
<thead>
<tr>
<th>Notes</th>
<th>2017-18 Actual</th>
</tr>
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</table>

### Efficiency measures

**Average cost of service per student:**

<table>
<thead>
<tr>
<th>Notes</th>
<th>2017-18 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary (Prep–Year 6)</td>
<td>$13,387</td>
</tr>
<tr>
<td>Secondary (Year 7–Year 12)</td>
<td>$14,467</td>
</tr>
<tr>
<td>Students with disability</td>
<td>$29,092</td>
</tr>
</tbody>
</table>
Supporting students to ‘Be well Learn well’

The integration of early intervention and health promoting methodologies in remote school settings is central to the Be well Learn well program. CheckUP, in partnership with Gidgee Healing and the Apunipima Cape York Health Council, deliver targeted allied health services to support Aboriginal and Torres Strait Islander students from Prep to Year 12 in remote state schools across Queensland.

Improved wellbeing, improves attendance

Scott was a Year 2 student who had experienced trauma and had issues socialising with his peers and engaging in the classroom. In 2017, Scott received allied health services under the Be well Learn well program from a speech pathologist, occupational therapist and psychologist. Scott’s therapy plan focused on self-regulation, trauma counselling, sensory regulation, oral language, literacy skills, and articulation therapy.

With the support from these services and implementation of classroom strategies, Scott’s school attendance has improved along with his wellbeing and behaviour. Additionally, Scott’s speech clarity has progressed where there has been an increase in classroom participation, engagement with friends and confidence. This multidisciplinary approach has enabled Scott to develop skills to engage positively with his education.

Lifting engagement in the classroom

Early intervention from the Be well Learn well program has supported Mary, a Year 1 student, who was finding it difficult to engage in classroom activities and was easily distracted. In April 2017, Mary was referred to the Be well Learn well program where she received occupational therapy and speech language therapy services. This therapy targeted attention, concentration, fine motor skills, expressive language, and literacy.

Since receiving therapy, Mary is now participating in classroom activities and follows instructions in small groups. Mary’s expressive language has also improved, which has increased her literacy and reading comprehension skills.

Note: Due to the sensitive nature of this program, photos are not available/appropriate.
Every Queenslander prepared for the future

Transforming the way we do business

The department is delivering contemporary, high quality services to meet the changing needs of Queenslanders through a culture of innovation and continual improvement.

We met the needs of our business in 2017–18 by:

Delivering new schools and classrooms

- Four new state primary schools—North Shore, Picnic Creek, Baringa and Yarrabilba State Schools.
- Stage 2 construction at Pallara, Bellmere, Griffin and Deebing Heights State Schools.
- Accelerated work for Stage 2 of Picnic Creek State School was completed in June 2018.
- Stage 3a at Highfields State Secondary College.
- Over 500 new classrooms were delivered in 2017–18 with over 90 at new schools and over 410 for existing schools to cater for growth across the education portfolio.

School Infrastructure Enhancement

- School Infrastructure Enhancement (SIE) promotes a forward thinking approach by repairing, modernising, repurposing and rationalising school facilities to deliver contemporary learning environments that align with current and future curriculum needs and help reduce future maintenance obligations.

- The $64 million SIE program saw 227 projects completed to address school infrastructure requirements by supporting long-term improvements to the condition of school facilities, enhancing educational outcomes.

In the current year the department has completed Asset Life Cycle Assessments (ALCA) at 516 state schools and early childcare centres, with all state schools now having a completed ALCA.

Practical completion was achieved for 11 hall projects and contracts were awarded for another 18 under the Advancing Queensland Schools program.

We also completed 27 projects under the Smart School Subsidy Scheme.
Building Better Schools

To deliver a world-class education, we need schools built for the future. We have allocated $808 million to address enrolment growth pressures in state schools to be delivered through the Building Future Schools fund. Building Future Schools will:

- build two new vertical schools, one in Fortitude Valley and one in Brisbane’s inner city South
- prepare master plans for 35 inner city schools
- expand West End State School
- expand Queensland Academy for Science, Mathematics and Technology
- build a state-of-the-art dance facility, in partnership with Queensland Ballet, at Kelvin Grove State College
- deliver an additional six new schools for the start of the 2020 school year.

$808 million allocated to the Building Future Schools fund

Through the Renewing Our Schools program, the department is providing up to $235 million over four years to substantially refurbish and upgrade 16 state high schools and one primary school, including:

- Aspley State High School
- Bundaberg State High School
- Cairns State High School
- Corinda State High School
- Everton Park State High School
- Ferny Grove State High School
- Heatley Secondary College
- Indooroopilly State High School
- Mansfield State High School
- Maryborough State High School
- Mitchelton State High School
- Proserpine State High School
- Sarina State High School
- Springwood State High School
- Tropical North Learning Academy–Trinity Beach State School
- Tropical North Learning Academy–Smithfield State High School
- Toowoomba State High School.

New schools for start of 2020 school year

Prepare master plans for 35 inner city schools

Build two new vertical schools
In March 2017, Tropical Cyclone Debbie devastated a significant area of Queensland resulting in a landmark decision to close nearly 70 per cent of all Queensland state schools.

In the aftermath of Cyclone Debbie, the Marlborough Sarina Road, south of Mackay, was so severely damaged it would take several years to repair. Without access to the road, students from the Colston Park area would need to travel 90 minutes via Koumala to get to school using an unsealed road.

With the support of the Queensland Country Women’s Association (QCWA), to save students the long commute, we occupied the QCWA hall and used an adjacent vacant site owned by the Department of Natural Resources, Mines and Energy to establish a pop-up school in four days.

We worked with the Department of Transport and Main Roads to allow access to roads during a holiday weekend and the Department of Housing and Public Works who provided the necessary resources to construct the school. A range of Department of Education contractors and suppliers also rallied to make this possible. The community also provided great support toward the establishment of the pop-up school to ensure the school facilities were functional.

The pop-up school became a fully functioning, temporary campus of Swayneville State School providing continued education for those primary-aged students affected by the damaged road.

It was made possible by successful collaboration across government agencies along with great support from the local community. The ‘pop-up’ school opened again for the 2018 school year, with every student able to continue their learning.

2019 will see the campus decommissioned and the school reunited.
Making sure we are ready for 2020

In 2007, the first universal year of Prep started with a smaller group of students, known as the ‘half-year cohort’. With these students graduating in 2019, we are ensuring our state schools are ready in 2020 for the full cohort of students. The department is investing $250 million over two years in new classrooms and other infrastructure in state secondary schools to accommodate the six full cohorts for the start of 2020.

Identifying our infrastructure needs

We are helping schools identify their infrastructure needs through the School Strategic Infrastructure Plans (SSIP). The SSIPs are designed to capture short-, medium- and long-term facility needs that are over and above general maintenance. They create an opportunity for school leaders to describe the built environment that will help them achieve the school's educational goals in conjunction with both the department and the wider school community. This financial year, schools were supported in the development of their SSIP so we can plan for our future.

Committing to clean energy and reducing state school energy costs

The department has committed to the Advancing Clean Energy Schools (ACES) program by investing $97 million over three years from 2017–18. The ACES program will deliver the installation of solar photovoltaic (PV) systems and energy efficiency measures and an education program to improve energy management behaviour in over 800 state schools.

Employing more teachers

We are investing more than $1 billion over the next four years to employ more than 3700 extra teachers to meet growth across the state, with teachers deployed on the basis of population growth.

We also continued support of the $152.4 million investment over three years to deliver the Queensland Government’s Extra Teachers commitment to hire up to 875 additional teachers. We are providing funding for an additional 45 full-time equivalent (FTE) instrumental music teachers over three years at a total cost of $9.8 million.

Teachers for today, tomorrow and the future

Our world is changing rapidly and we need a workforce that can respond to the emerging needs of our students and community. We know that we not only need to meet the demand for teachers, but we need to make sure our workforce is agile, skilled and supported so that we have teachers in high-priority subject areas and locations where they are needed the most.

Teaching Queensland’s Future strategy is a $107 million investment over three years to meet the increasing demand for teachers in Queensland state schools. It is our response to factors driving teacher supply and demand in Queensland state schools: increasing student numbers; curriculum changes; teacher qualification reforms; and teachers being employed in other sectors or industries.

We will support, develop and retain our current teachers, partner with higher education institutes to skill and prepare graduates to recruit to our state school classrooms, and we will inspire people to become our teachers of the future.

Looking after our beginning teachers

We know beginning teachers can benefit enormously from engaging with an experienced educator on a regular basis. That is why 2700 beginning teachers participated in mentoring activities in 2017. We extended the Mentoring Beginning Teachers program and invested in training an additional 200 mentors. We continue to work to improve wellbeing support for beginning and early career teachers and those undergoing career transition.
Keeping our highly accomplished teachers in the classroom

With our key partners the Queensland Teachers’ Union and the Queensland College of Teachers, we piloted the Highly Accomplished Teachers and Lead Teachers initiative. We want to make sure that we have a career path which helps our best teachers stay in the classroom, improving the lives of Queensland students. We progressed the Highly Accomplished and Lead Teachers initiative that will be fully available statewide in 2019.

In 2017–18, we continued to implement the Government’s $6 million three-year program to establish an enhanced and rigorous teacher classification system and pay structure to modernise and improve the teaching profession.

Attracting high quality professionals to the sector

We are continuing to promote the teaching profession and the department as an employer of choice to attract high-performing employees.

In 2017–18, we appointed teaching career ambassadors to promote careers in teaching in state schools and allocated additional funding of $150 million over three years from 2018–19 and ongoing funding for investment in teacher attraction, quality and leadership.

Delivering broadband to the community

We are partnering with Telstra over five years to deliver a $137 million broadband upgrade program to state schools. The partnership delivered new fibre optic installations to over 500 schools and upgraded broadband to 1050 schools, including Aurukun, Kowanyama and Pormpuraaw schools, with the new fibre optic services provisioned benefitting the whole community.

Committing to keeping students safe from cyber bullying

We are leading the country in cyber safety, according to the eSafety Commissioner. Through our ongoing commitment to cyber safety awareness in schools, our team of specialists continues to work with industry to make sure we can act swiftly in response to online content affecting the health and wellbeing of our students and staff.

We presented cyber safety sessions to state schools covering a wide range of online topics and promoting safe and positive use of social media and continued developing resources to support students, teachers and parents.

Making sure we are all on the same page

We are committed to ensuring our information and communication technology (ICT) services are aligned, efficient and effective. We are making sure all divisions within the department have an ICT roadmap allowing for greater integrated third-party solutions.

Taking cyber and information security seriously

We are committed to maintaining suitable and relevant security practices through implementing preventative tools.

We are also committed to ensuring compliance to industry and government standards, by raising awareness to all staff by means of an annual campaign and ensuring OneSchool aligned to the most up-to-date version of Privacy and Security standards.

The Royal Commission into Institutional Responses to Child Sexual Abuse named our Cyber Safety and Reputation Management team as an example to other jurisdictions.
Connecting recruiters and potential employees

We are committed to ensuring Queensland state schools meet the needs of current and future students. The recruitment of highly capable teachers remains one of our highest priorities with the annual Teach Queensland and Teach Rural career fairs examples of a different avenue to recruit and retain teachers.

The career fairs provide a friendly and welcoming opportunity for Human Resources staff and principals to connect with preservice, applicant and experienced teachers. These events not only allow visibility and transparency of our recruitment processes, but also enable participants to engage personally with recruiters to discuss opportunities and ask region-specific questions.

Offers of temporary contracts and professional experience are also discussed, with both participants and recruiters pleased with the opportunities presented and offered. In addition to connecting potential employees with recruiters, the fairs also provide a series of employment-focused seminars throughout the day. The seminars allow current teachers and school leaders to share their journeys and answer any questions specific to their careers or communities.

Further testament to the value of these events was the introduction of event sponsors in 2018. By partnering with key education and industry stakeholders, participants were able to explore resources and services available to them. The success of the career fairs continues to rise each year with a notable 59 per cent more people attending the 2017 Teach Queensland Career Fair than in 2016 – a record 733 attendees. The 2018 Teach Rural Career Fair welcomed 677 participants in April resulting in a 56 per cent attendance increase from 2017’s event.
Influencing the national agenda

The department continues to work collaboratively with the Australian Government, our stakeholders and other states and territories to improve outcomes across the early years and schooling sectors. During 2017–18 we have focused on negotiating a new school funding agreement to ensure fair and needs-based federal funding is available to Queensland schools now and into the future.

We continue to work hard to deliver fair and sustainable funding arrangements through the National Partnership on Universal Access to Early Childhood Education to make sure kindergarten continues to be universally available for all Queensland children. We continued to progress the Council of Australian Government priorities by supporting ministerial and departmental representation at the Education Council and other national and statewide committees.

Directing research effort to maximise impact

Throughout 2017–18, we continued to set strategic research directions through the department’s Research Plan to make sure research effort and investment is focused and maximises its impact. To improve the accessibility of research both inside and outside the department and streamline the research application process, the Queensland Education Research Inventory was launched in January 2018.

Empowering Aboriginal and Torres Strait Islander learners

The department is committed to ensuring we deliver a quality education that empowers Aboriginal and Torres Strait Islander learners to make a great start, achieve their full learning potential and shaping their own futures. In 2017, the department consulted widely with key stakeholders on the draft Advancing Aboriginal and Torres Strait Islander Education action plan. In total, more than 220 individuals and 71 organisations were engaged during the consultation process. The department remains committed to and values continued engagement with the Ministerial Queensland Aboriginal and Torres Strait Islander Education and Training Advisory Committee, which provides independent expert and cultural advice on early childhood, school education and training matters impacting Aboriginal and Torres Strait Islander people. The department continues to work at state and national levels to ensure the needs and aspirations of Queensland’s Aboriginal and Torres Strait Islander children and students are addressed through a range of whole-of-government and national initiatives.

Delivering contemporary legislation and minimising risk

During 2017–18 we delivered three major pieces of legislation. The Education (Accreditation of Non-State Schools) Act 2017 modernises and streamlines non-state school accreditation and eligibility for government funding. The Education (Overseas Students) Act 2018, helps ensure a contemporary, nationally consistent regulatory approach to providers of courses to overseas students and international secondary student exchange programs. This continues our efforts to protect the safety and welfare of all students.

The University Legislation Amendment Act 2017 reformed governance for James Cook University and made other amendments for the seven public universities in Queensland. This included amendments to remove certain limitations on the delegation of powers and functions by university governing bodies and improving the integrity of the membership of university governing bodies.

Our functions and powers are derived from administering various Acts of Queensland Parliament in accordance with Administrative Arrangements Order (No. 2) 2017. This is available online at qld.gov.au/about/how-government-works/government-responsibilities. For a complete list of legislation administered by the department please refer to Appendix D.
Risk management

Audit and risk management committee
Pursuant to sections 15 and 28 of the Financial and Performance Management Standard 2009 (FPMS), the department has established an audit and risk management committee to manage strategic and operational risks.

The department’s Audit and Risk Management Committee (ARMC) provides independent advice to the Director-General in the discharge of his responsibilities, imposed under the Financial Accountability Act 2009, on matters relating to the financial statements, risk management, internal control, performance management, internal audit and external audit within the scope of its duties and responsibilities.

The ARMC meets on a quarterly basis and has observed the terms of its charter, and has had due regard to the ARMC Guidelines.

In addition, monitoring the implementation progress of agreed actions against all Queensland Audit Office (QAO) audit recommendations is performed.

Details about the ARMC, including membership and a description of the committee’s role, functions, responsibilities and achievements for 2017–18, are available in Appendix F.

Customer complaints management
In early 2017, the department introduced a new Customer Complaints Management Framework, policy and procedure to meet its requirements under section 219A of the Public Service Act 2008.

The department manages customer complaints in an accountable, transparent, timely and fair manner. We are committed to promoting better practice across the department and are focused on continuous improvement across our schools, regions and divisions.

The department’s customer complaints data can be obtained at qed.qld.gov.au/publications/reports/annual-report.

Internal audit
Internal Audit provides risk-based audit and advisory services across the department including centralised and regional functions, information systems, frontline service delivery areas, as well as providing advice on departmental programs and projects.

The Head of Internal Audit reports to the Director-General and to the ARMC, in accordance with Queensland Treasury’s Audit Committee Guidelines. The Head of Internal Audit is suitably qualified as a Professional Member of the Institute of Internal Auditors Australia.

Internal Audit complies with its charter developed in accordance with the International Standards for the Professional Practice of Internal Auditing and the Financial Accountability Act 2009 to ensure the effective, efficient and economical operation of the branch.
Internal Audit develops an annual plan using various inputs including departmental priorities, strategic and operational risks and stakeholder consultation. The plan is endorsed by the ARMC and approved by the Director-General. During 2017–18, Internal Audit completed:

- 280 school audits including full scope and follow-up audits;
- 26 general audits including school theme-based reviews; and
- 11 information systems audits.

Internal Audit also:

- provided assurance services to a number of departmental ICT-enabled projects
- attended and provided advice to key governance, working group and steering committees
- conducted targeted audit enquiries
- performed independent payroll verification checks on payroll rate changes
- validated actions taken by management to address internal audit and QAO findings.

During 2017–18, Internal Audit completed a risk-based Annual Audit Plan incorporating key enterprise and strategic risks across the department. It also implemented an updated school audit program and an analytics server to examine departmental data more easily. Partnerships and communications with stakeholders across all areas of audit activity were strengthened and a full cycle of follow-up audits for schools with minimal or unsatisfactory audit results was completed.

External scrutiny

The department is subject to a number of external reviewers, including the Queensland Auditor-General, the Office of the Information Commissioner (Queensland), the Crime and Corruption Commission (Queensland), and the Queensland Ombudsman.

Information about significant external audits and reviews of the department during the 2017–18 financial year is available in Appendix E.

Statutory bodies and portfolio entities

The department supports the statutory bodies and entities identified in the Department of the Premier and Cabinet’s register. Some statutory bodies, including universities and grammar schools, prepare their own reports.

Information about these bodies and entities can be found at qed.qld.gov.au/publications/reports/annual-report and governmentbodies.premiers.qld.gov.au.
Public Sector Ethics Act 1994

All departmental employees are required to comply with the public sector ethics principles (the principles) set out in the Public Sector Ethics Act 1994. This is achieved through department-wide implementation of the Code of Conduct for the Queensland Public Service and the department’s Standard of Practice, which contextualises the Code to the department’s unique environment.

Employees are required to undertake public sector ethics education and training upon commencement of their employment with the department, and at intervals of no more than 12 months thereafter. This training relates to the operation of the Act, the application of ethics principles and obligations to employees’ daily work, and the contents of the Code and the Standard.

As well as ensuring employees are aware of their ethics-related rights and obligations through targeted education and training, these principles are embedded in the department’s strategic plan, operational plans, individual employee performance plans, policy instruments and procedures.

Some of our key achievements in 2017–18:

- reviewed and provided feedback as a lead agency to the Public Service Commission regarding the revision of the Code of Conduct for the Queensland Public Service;
- commenced review and revision of the department’s Standard of Practice in order to ensure alignment with the revised Code of Conduct;
- commenced development of a training package aimed at senior leadership positions with the department—‘Executive Ethics’ for development and delivery 2018–19; and
- commenced the assessment and development of regional and branch-level ‘Fraud and Corruption Risk Registers’ with a view to increasing awareness, control measures, reporting and management.

Records management (Information systems and recordkeeping)

Pursuant to section 7 of the Public Records Act 2002, the department must make and keep full and accurate records of its activities and have regard to any relevant policy, standards and guidelines made by the archivist about the making and keeping of public records.

In 2017–18, we:

- updated policies and procedures relating to records management and promoted training and awareness programs;
- reviewed and improved internal processes regarding access, security and control of departmental records;
- implemented recommendations in response to Royal Commission into Institutional Responses to Child Sexual Abuse published report; and
- worked with Queensland State Archives to review the Education and Training Sector Retention and Disposal Schedule incorporating changes to relevant legislation.

Consultancies, language services and overseas travel

Reports on expenditure on consultancies, language services and overseas travel are published on the Open Data website at data.qld.gov.au.
Safe, productive and fair workplaces

Committed to ensuring Queenslanders are working in safe and fair environments

In 2017-18, we focused on:

Making Queensland safer and fairer

Last year was a year of legislative and regulatory firsts, driven in part by the delivery in July 2017 of a Best Practice Review of Workplace Health and Safety Queensland (WHSQ). This report made recommendations for legislative and regulatory changes to work health and safety laws as well as operational improvements for Workplace Health and Safety Queensland and the Work Health and Safety Board.

Since then, major changes have been made to the work health and safety act including the introduction of a new charge of industrial manslaughter and the preparation of regulatory amendments to improve safety in the amusement ride and theme park industries. We have also reviewed and updated all Codes of Practice as recommended by the Best Practice Review.

With the largest recreational snorkelling and diving sector in Australia, Queensland is the only state to have specific legislation covering the industry. Based on expert advice from tourism operators and dive safety specialists, we also revised the Recreational diving and snorkelling Code of Practice to make recreational snorkelling safer.

Other legislative and regulatory milestones include:

- delivering Australia’s first Labour Hire Licensing Act, to protect these workers against unscrupulous, unprofessional practices
- greater protections to workers affected by coal workers’ pneumoconiosis
- tougher licensing requirements to strengthen electrical safety in Queensland.
Protecting workers from preventable injury

In 2017, we introduced new industrial manslaughter laws aimed at protecting Queensland workers on the job. This was one of the 58 recommendations contained in the independent Best Practice Review of Workplace Health and Safety in Queensland. We are continuing to implement all recommendations except for two that have been referred to the Work Health and Safety Board for further consideration.

Following reported safety concerns on the Toowoomba Second Range Crossing project, we met with senior representatives of Nexus in February 2018 to make sure safety was made a priority.

Our ultimate goal is for every Queenslander to go out to work or play each day and come home safely. Everything we do in this space – such as our Injury Prevention and Management Program, inspections and audits, notices and prosecutions, transport safety networks, workplace visits by people who have been injured at work, and working with around 1500 businesses in our Safety Leadership at Work Program – is about stopping accidents happening in the first place and achieving reductions in work-related injuries and fatalities.

During the 2017–18 period, our inspectors visited over 10,700 workplaces which involved over 27,000 individual site visits, and issued over 6100 notices for contraventions of the work health and safety legislation, predominately relating to non-compliance with workplace environment, work at heights, plant and hazardous chemicals requirements.

We received notifications of non-compliance with work health and safety laws, consisting of 5799 incidents and 4341 complaints. We conducted 173 investigations into serious injuries, fatalities and other high priority matters.

During the same period, we finalised 67 prosecutions, with 59 of these successful, resulting in over $2.6 million in fines and costs.

We continue to focus on high-risk industries, targeting those that have workers’ compensation claim rates significantly higher than other industries. Over the five years from 2011–12 to 2015–16, significant reductions in the incidence of severe injuries were achieved in the following industries:

<table>
<thead>
<tr>
<th>Industry</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>25.9%</td>
</tr>
<tr>
<td>Transport</td>
<td>27.4%</td>
</tr>
<tr>
<td>Agriculture</td>
<td>13.7%</td>
</tr>
<tr>
<td>Construction</td>
<td>9.9%</td>
</tr>
</tbody>
</table>

This equates to an overall reduction of 20.5 per cent in serious work-related injuries over that period – a great result for workers, their families and businesses.

In consultation with the Interagency Asbestos Group, we again prepared the annual progress report on the Statewide Strategic Plan for the Safe Management of Asbestos in Queensland 2014–2019. This report informs Cabinet on the work being undertaken by government agencies, and is available at asbestos.qld.gov.au.
Installing billboard signage can be a dangerous business when the billboard is near overhead power lines.

Having seen their competitor’s experience the horror of a serious electrical incident, Bishopp Billboards’ management and installers came together to tackle the risk posed by overhead powerlines.

Bishopp manages over 800 billboards across Queensland, with a team of six installers performing thousands of signage installations every year. The company wanted to go beyond best practice to protect their installers, improve outdoor advertising industry safety practices and help prevent future tragedies in their industry.

The solution was to develop an innovative billboard structure design which significantly reduces the risk of a worker or their tools coming into contact with overhead power lines.

The new design features a rear gantry walkway allowing work to be done behind the billboard’s face, away from dangerous powerlines. Additionally, changes to the design of the sail track prevents workers accidentally feeding equipment into the overhead lines.

These design changes have since been rolled out across at-risk billboards in Bishopp’s network.

Concerned about the risk to other outdoor advertising providers, Bishopp worked with the Electrical Safety Office to develop industry educational materials on working safely with billboards near power lines.

While safety is its own reward, Bishopp’s innovative solution, industry leadership and passion for safety saw them take home top honours in the electrical safety category of the Safe Work and Return to Work Awards 2017.
**Injury Prevention and Management Program (IPaM)**

IPaM is a joint initiative between Workplace Health and Safety Queensland (WHSQ) and WorkCover Queensland. The program assists employers to increase compliance and manage their health, safety and rehabilitation and return-to-work systems.

IPaM is a free program tailored to suit workplaces at varying levels of maturity, size, complexity, safety and workers’ compensation performance offering three key services, IPaM Advance, IPaM Evolve and IPaM Small Business.

In the 2017–18 year, there were 354 employers actively working in the IPaM Advance and Evolve programs, a further 134 in pre-agreement, and 231 employers have exited the program during the reporting period.

Over 1660 site visits have delivered system and hazard assessments and worker consultation predominantly in priority industries of manufacturing, construction, health care and social assistance, transport and agriculture.

There have been 159 Business Improvement Plans delivered providing over 3473 recommendations for improvement in management commitment, consultation, risk management, training, injury management and return-to-work. Small businesses are further supported through the provision of one-on-one workplace consultations and workshops.

**Workers’ compensation improvements recognised by IPaM employers in the last 12 months include:**

- **3.1%** in claims, compared to an increase of 9.7% for non-IPaM employers
- **8.6%** in average days off work, compared to an increase of 0.4% for non-IPaM employers
- **1.4%** in the average statutory claim cost, compared to a 7.1% increase for non-IPaM employers
- **2.2%** in claims costs per $ million of wages, compared to an increase of 8.1% for non-IPaM employers
- **12.4%** in time taken for employees to return to work compared to 8.7% increase for non-IPaM employers
- **1.6%** in the workers’ compensation premium rate, for large employers and 12.6% decrease for small employers compared to rest of fund
Domenic Cocco was seven years old when he persuaded his mum, Jodie, to let him have a go on a kid’s bike belonging to a family friend. Seconds after he jumped on, Dom hit a power pole and was thrown onto the bitumen. With no helmet to protect his head, his injuries came close to killing him.

Fortunately, Domenic made a full recovery, but his parents know all too well how close they came to losing him and are now passionate about quad bike safety.

Jodie and Mario want to prevent other parents from experiencing the horror they lived through by sharing their story through the safety advocate program.

“You think it is not going to happen to you. Make sure they have got the right protective equipment on, make sure they are wearing a helmet, and make sure they know how to operate it properly.”

As quad bike safety advocates, the Cocos will be sharing their story to compel workers and the community to think about the hazards and risks involved in using a quad bike.

Queensland businesses can request a safety advocate to visit a workplace or community event, free of charge, to speak about the importance of safety in the workplace and on the farm.

Jodie and Mario also share their story through the film ‘Too fast. Too soon—Domenic’s story’, available on worksafe.qld.gov.au.
Shining a light on electrical safety

In 2017–18, we implemented the recommendations of an independent review of electrical licensing including enhancing the requirements for electrical contractor licence eligibility.

We conducted over 2590 proactive audits and issued 1002 notices. Fifty matters involving electrical licence holders were referred to the Electrical Licensing Committee and found to be in breach of electrical safety legislation, with disciplinary action including fines, reprimands and licence suspension pending re-training. There were 33 serious electrical incidents across Queensland in 2017–18, increasing by 12 from the previous financial year, but no fatalities resulting from contact with electricity.

We are also continuing initiatives to support the safe introduction of smart grid and renewable technologies.

Making workers’ compensation fairer

The Workers’ Compensation and Rehabilitation Act 2003 requires a review of the operation of the workers’ compensation scheme at least once every five years. In 2018, the independent review found the scheme is financially sound and provides fair treatment for both employees and employers.

Queensland’s workers’ compensation scheme gives people injured at work the support and protection they need to return to work so they can support themselves and their families. The scheme’s performance is such that Queensland has the fastest workers’ compensation dispute resolution service in Australia: 86.5 per cent of disputes are resolved within three months.

Reporting on Coal Workers’ Pneumoconiosis

We prepared the Government’s response to the Parliamentary Committee’s Report into Coal Workers’ Pneumoconiosis and implementation of recommendations regarding workers’ compensation changes. We progressed actions in response to the Coal Workers’ Pneumoconiosis Select Committee Report No.4 55th Parliament Inquiry into Occupational Respirable Dust Diseases.

Continuing to educate the community

Our advertising campaigns are an important means to get our message into the community. In 2017, we shined the spotlight on electrical safety, quad bike safety, safe work and return to work, and in 2018, the North Queensland Injury Prevention and Return to Work Conference was held in Townsville.

In 2017–18, electrical safety inspectors provided engagement activities to over 2800 organisations and more than 13,300 people. Electricity Safety Week (4–8 September) included a host of events tailored specifically for electrical contractors and workers, including the Electricity Safety Summit.

Each year, on average, 600 people need hospital treatment because of quad bikes, with approximately one-third of quad bike deaths in Australia taking place in Queensland. To raise awareness of quad bike safety, the final phase of the government’s Ride Ready campaign was launched in 2017.

When it comes to getting back to meaningful work after an injury, the best results are achieved when employers encourage and support injured staff to recover at work. The Getting Back advertising campaign reminds workers, employers and medical professionals of the importance of getting people back to work.
The 2017 Safe Work and Return to Work champions were recognised at the 2017 Safe Work and Return to Work awards. The awards showcase excellence in safety or getting injured workers back to meaningful duties as soon as possible and are a highlight of Safe Work Month which runs each year in October.

A dedicated statewide advertising campaign ‘It’s about time’, introducing the labour hire licensing scheme, ran on radio, press and social media for six weeks, raising awareness of and encouraging compliance with the scheme.

**Improving industrial relations for Queensland workers**

In response to the Parliamentary Inquiry into the Practices of the Labour Hire Industry in Queensland, the *Labour Hire Licensing Act 2017* establishes a mandatory labour hire provider licensing scheme to protect labour hire workers from exploitation and restore confidence in the labour hire industry.

The passage of the *Trading (Allowable Hours) Amendment Act 2017* delivered a significant reduction in the complexity around Queensland’s retail trading hours regulation, providing certainty for retail shop trading hours and striking the right balance between flexibility and increased consumer shopping hours, while providing protections for retail workers and smaller retail businesses.

We prepared the Queensland Government’s submissions to the Fair Work Commission Annual Wage Review and also the Queensland State Wage Case. These submissions advocated for increased wages for the lowest paid workers in the community. We also prepared the Queensland Government’s submission to the Senate Inquiry into the Future of Work and Workers, which called for reform of the *Fair Work Act 2009* and other relevant legislation to better recognise emerging forms of non-traditional employment, including engagement within the gig economy, to ensure that the national workplace relations system protects vulnerable workers and remains fair and equitable for all working Australians.

During 2017–18, we completed 11 enterprise bargaining agreements for the Queensland public sector and government-owned corporations. All agreements were settled within the government wages policy.
## Service standards

### Notes

1. This service area was transferred from Queensland Treasury following machinery-of-government changes.
2. This service standard considers quality, timeliness, staff knowledge, access and outcome. Data is collected via a telephone survey.
3. This is a biannual measure. Further trend data is required before targets are adjusted.
4. This service standard is calculated based on the total cost of Industrial Relations services divided by the Queensland labour force, which is sourced from the Australian Bureau of Statistics (ABS) Cat 6202.0 – *Labour Force, Australia*, Table 06. The increase in the 2017–18 Actual is due to funding for the Labour Hire Licensing Scheme.
5. This service standard is calculated based on Industrial Relations Public Sector budget divided by the Queensland public sector labour force, which is sourced from the ABS Cat 6248.0 – *Employment and Earnings, Public Sector*. The increase in the 2017–18 Actual and is due to an increase in costs to support the continued provision of efficient and modern Industrial Relations services.
6. This is a new service standard introduced to measure the efficiency of Queensland Industrial Relations Commission services. It is calculated based on the time taken to file the matter and the time taken to enter the matter into the Case Management System.
7. This new measure is based on a five-year rolling average of the number of verified serious electrical incidents reported rather than a yearly count. It replaces the discontinued measure 'The number of reported serious electrical incidents involving powerlines, installations and electrical equipment per million population'.
8. The increase in the 2017–18 Actual is due to increased costs paid to the Queensland Ambulance Service.
9. The increase in the 2017–18 Actual is due to an increase in employee expenses.

### Service: Industrial Relations¹

<table>
<thead>
<tr>
<th>Effectiveness measures</th>
<th>Notes</th>
<th>2017-18 Target/Est.</th>
<th>2017-18 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall client satisfaction with inspectorate’s effectiveness and professionalism</td>
<td>2,3</td>
<td>85%</td>
<td>97%</td>
</tr>
<tr>
<td>Overall client satisfaction with the services and advice provided on public sector industrial relations</td>
<td>2,3</td>
<td>85%</td>
<td>85%</td>
</tr>
</tbody>
</table>

### Efficiency measures

| Cost of Industrial Relations services per Queensland worker                              | 4     | $2.60               | $3.38          |
| Cost of public sector industrial and employee relations per Queensland public sector worker | 5     | $6.30               | $6.55          |

### Service: Administration of the Industrial Court and Commission system

| Effectiveness measure                                                                 |       |                     |
| Percentage of matters resolved at conference                                           |       | 65%                 |

### Efficiency measure

| Percentage of matters filed with the Industrial Registry and processed within 24 hours | 6     | New measure        |
|                                                                                     |       | New measure        |

### Service: Work health and safety services

| Effectiveness measure                                                                 |       |                     |
| Overall client satisfaction with inspectorate’s effectiveness and professionalism     | 2,3   | 85%                 |

<p>| Efficiency measure                                                                 |       |                     |
| Cost of WHSQ services per worker covered by the workers’ compensation scheme          |       | $30.95              | $29.83         |</p>
<table>
<thead>
<tr>
<th>Service standards</th>
<th>Notes</th>
<th>2017-18 Target/Est.</th>
<th>2017-18 Actual</th>
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</thead>
<tbody>
<tr>
<td><strong>Service: Electrical safety services</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Effectiveness measures</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reduction in the number of reported serious electrical incidents on a five-year rolling average</td>
<td>7</td>
<td>New measure</td>
<td>New measure</td>
</tr>
<tr>
<td>Overall client satisfaction with inspectorate's effectiveness and professionalism</td>
<td>3</td>
<td>85%</td>
<td>91%</td>
</tr>
<tr>
<td><strong>Efficiency measure</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of electrical safety services per person in Queensland</td>
<td></td>
<td>$3.95</td>
<td>$3.99</td>
</tr>
<tr>
<td><strong>Service: Workers' compensation services</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Effectiveness measure</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of Workers' Compensation Regulator service per worker covered by the workers' compensation scheme</td>
<td>8</td>
<td>$9.40</td>
<td>$9.64</td>
</tr>
<tr>
<td><strong>Efficiency measure</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost per Workers' Compensation disputation</td>
<td>9</td>
<td>$2,700</td>
<td>$2,850</td>
</tr>
</tbody>
</table>
Our people
Workforce profile

As at 30 June 2018:

- 91,129 employees, made up of 72,341.17 full-time equivalent (FTE);
- approximately 94 per cent of workforce based in a school;
- 1895.60 FTEs (2.6 per cent of the total workforce) providing corporate services to the department;
- 0.3 per cent are Senior Executive Service Officers, miscellaneous workers and trainees;
- permanent staff retention rate of 95.1 per cent; and
- annual permanent separation rate of 4.9 per cent.

During the 2017–18 financial year, one employee received a redundancy package at a cost of $169,171.14. Employees who did not accept an offer of redundancy were offered case management for a set period of time, during which reasonable attempts were made to find alternative employment placements.

At the conclusion of this period, and where it is deemed that continued attempts of ongoing placement were no longer appropriate, under exceptional circumstances (as defined in Directive 04/18 Early Retirement, Redundancy and Retrenchment) employees yet to be placed were terminated and paid a retrenchment package.

No retrenchment packages were paid during the period.
The department’s staff numbers are based on Quarter 2, 2017 Minimum Obligatory Human Resource Information point-in-time data.

In 2017–18, we continued supporting our staff by:

**Providing opportunities for personal and professional growth of all employees through performance and leadership development**

The department supports the personal and professional growth of all employees through performance and leadership development frameworks across all levels of the organisation.

We delivered a range of leadership capability development programs and initiatives for AO2 to senior officer employees, including:

- **People Matters** — 83 participants
- **Emerging Leaders** — 96 participants
- **Senior Officer Leadership Development Initiative** — 46 participants

Supported School Business Managers through:

- a OnePortal website
- over 206 grants to undertake a Diploma of Leadership and Management or a Diploma of Business

- delivery of 26 human resources roadshows to 886 school administration officers and business managers.

In 2018, we launched the newly developed **Mandatory All Staff Training** program designed to improve the quality, consistency and effectiveness of compliance training for new employees.

As at 30 June 2018, 68,217 employees have completed the training with an average satisfaction rating of 8 out of 10.
The department has:

- conducted principal information and regional HR session presentations to 224 secondary and P–12 schools across Queensland to build capability and inform workforce planning in schools and regions;
- delivered the Restart Teaching program to 158 participants; and
- supported more than 423 teacher mentors across Queensland to complete the Mentoring Beginning Teachers Program so every new teacher has access to a trained mentor.

We provided 120 newly appointed substantive principals with induction to the role of principal via the Principal Induction conference and supported beginning teachers with induction to the department at the Beginning Teachers conference, attended by 530 staff.

We encouraged 35 aspiring Aboriginal and Torres Strait Islander leaders into higher-level leadership positions through participation in the Aspiring Aboriginal and Torres Strait Islander Leaders program and supported 56 staff towards higher-level leadership positions in the special education sector through the Aspiring Special Education Leaders program.

We supported 40 women to participate in the Women in School Leadership program, aimed at building leadership skills and increasing representation of women in school leadership positions.

We committed to and promoted a Graduate Program for commencement in 2019, consulted with 112 School Officers to support their attainment of a Certificate III in Government through the Recognition of Prior Learning process, and supported the personal and professional growth of all employees through the pre-qualified panel of professional development providers. The panel has 56 providers under contract, with seven joining the panel in the 2017–18 financial year.

We provided 451 teachers with access to professional development and upskilling across priority science, technology, engineering and mathematics (STEM) and languages curriculum areas.

Raising awareness of domestic and family violence

Preventing domestic and family violence (DFV) in our community is everybody’s responsibility. It can impact anyone regardless of age, wealth, location, cultural background, sexual identity or gender. To make sure we are contributing to the government’s vision to eliminate domestic and family violence, we:

- developed new resources and commenced rollout of a statewide domestic family violence (DFV) training program to increase employee capability;
- participated in the corporate White Ribbon Workplace Accreditation program to influence organisational culture change in relation to DFV;
- partnered with Our Watch and the Luke Batty Foundation to implement the Creating a violence-free future: developing a whole-school approach to Respectful Relationships Education in Primary Schools pilot in 10 primary schools; and
- ensured alignment with the Queensland Procurement Policy by taking into account workplace policies and practices aimed at ending domestic and family violence as part of supplier evaluation and selection.

Managers are more confident they can effectively communicate with employees affected by domestic and family violence.

<table>
<thead>
<tr>
<th></th>
<th>2016–17</th>
<th>2017–18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff awareness of policies to support employees affected by domestic and family violence has increased.</td>
<td>54%</td>
<td>82%</td>
</tr>
</tbody>
</table>

2017–18 Annual Report  Department of Education
Embedding the Wellbeing Framework

As one of Queensland’s largest employers, we know the importance of focusing on staff wellbeing. A systemic approach, using evidence-based processes and tools, will increase the effectiveness of individual wellbeing initiatives and maximise the sustainability of staff wellbeing programs within our schools and workplaces.

Our **Staff Wellbeing Framework** provides a model for wellbeing that includes five interdependent wellbeing dimensions supporting a holistic approach to wellbeing at the individual, school/workplace and organisational level. The five wellbeing dimensions include: physical, psychological, financial, occupational, and social and community engagement. The Framework outlines the rationale for addressing staff wellbeing and recognises the relationship between teacher wellbeing and student learning and that ‘a healthier workforce will positively influence student engagement leading to better learning outcomes’.

The implementation of the **Staff Wellbeing Framework** across the department is underpinned by two overarching goals and six objectives describing how the goals will be achieved.

In 2018, the department continued to strengthen its commitment to providing safe, healthy and inclusive workplaces by the following initiatives:

- Embedding and reinforcing health, safety and wellbeing as a departmental value.
- Launching the new **Staff Wellbeing Learning and Resources Portal** which houses four psychological wellbeing online courses and has plans for expansion. The new portal joins our existing **OnePortal Intranet** site which offers a comprehensive planning guide, staff wellbeing policy, and a range of supporting resources including case studies, vignettes, ideas, activities and low or no-cost providers across all five wellbeing dimensions.

- Expanding the **Wellbeing Champions** initiative to showcase staff excellence in positively influencing wellbeing across our schools and workplaces and help drive cultural change within the department. The department now has 15 Wellbeing Champions across the state.
- Introducing new initiatives for principals and deputy principals to access additional coaching and support, training to assist managing stress and access to an online health and wellbeing program to address health behaviours such as sleep and physical activity.
Knowing the value in being diverse, inclusive and flexible

The department continues to build a diverse and inclusive workplace to reflect the children, young people and community accessing education services.

We are committed to fostering a supportive workplace culture where employees are encouraged and assisted to balance work, family and other aspects of personal life.

In 2018, the department’s draft diversity and inclusion framework was released for consultation. The framework is expected to be finalised and published in July 2018. The framework outlines several foundation and focus areas for strategic development which have already commenced, including:

- **Flexible by Design** — a cultural change piece designed to improve the uptake of flexible work arrangements across the agency, including the development of a new flexible work agreement to be launched in August 2018.

- **Dignity and Respect** — launched in June 2018, the Dignity and Respect toolkit allows managers and principals to set the tone in relation to respectful workplace behaviours.

- **Proud at Work Strategy** and partnership with **Pride in Diversity** partnership has commenced to build understanding and capability in relation to LGBTIQ+ workforce inclusion.

- From 1 July 2018, the department will enter into a partnership with Job Access to support the development of our workforce disability strategy, **Able—Valuing the talent in all abilities**.

The department continues to support staff by offering a range of flexible work options including:

- part-time work, part-year work/annualised hours, job sharing, compressed work hours, flexible work hours/shifts and term-time work arrangements; and

- telecommuting, hot desks, purchased leave/extended leave/deferred salary schemes and leave at half pay.
Appendix A
Early childhood education and care performance

Participation
Proportion of children enrolled in an early childhood education program

Figure 8: All children

Note: In November 2017, the Australian Bureau of Statistics revised the 2016 estimates using a new data linkage methodology. Previous reported result of 108.5% is now 98.3% for all children. Results from 2016 onwards are not comparable with earlier years.
Source: Australian Bureau of Statistics, Preschool Education Australia (Catalogue No. 4240.0)

Figure 9: Indigenous children

Note: In November 2017, the Australian Bureau of Statistics revised the 2016 estimates using a new data linkage methodology. Previous reported result of 93.1% is now 89.6% for Indigenous children. Results from 2016 onwards are not comparable with earlier years.
Source: Australian Bureau of Statistics, Preschool Education Australia (Catalogue No. 4240.0)
Figure 10: Disadvantaged communities

Note: In November 2017, the Australian Bureau of Statistics revised the 2016 estimates using a new data linkage methodology. Previous reported result of 94.2% is now 85.3% for disadvantaged communities. Results from 2016 onwards are not comparable with earlier years.

Source: Australian Bureau of Statistics, Preschool Education Australia (Catalogue No. 4240.0)

Figure 11: Services

Note: Proportion (%) Rated services

Source: Australian Children’s Education and Care Quality Authority (ACECQA) National Quality Framework (various years)
Appendix B
School education performance

Proportion of students achieving at or above the National Minimum Standard

Year 3—All students

<table>
<thead>
<tr>
<th>Year</th>
<th>Australia</th>
<th>All Qld Students</th>
<th>Qld State Schools</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>92.3</td>
<td>93.6</td>
<td>93.6</td>
</tr>
<tr>
<td>2013</td>
<td>93.4</td>
<td>94.6</td>
<td>94.6</td>
</tr>
<tr>
<td>2014</td>
<td>93.3</td>
<td>93.6</td>
<td>93.6</td>
</tr>
<tr>
<td>2015</td>
<td>93.1</td>
<td>93.6</td>
<td>93.6</td>
</tr>
<tr>
<td>2016</td>
<td>93.0</td>
<td>94.6</td>
<td>94.6</td>
</tr>
<tr>
<td>2017</td>
<td>93.1</td>
<td>94.6</td>
<td>94.6</td>
</tr>
</tbody>
</table>

Note: Baseline (2008 or 2011) figures are shown for comparison.
Source: Australian Curriculum, Assessment and Reporting Authority (ACARA) and Queensland Curriculum and Assessment Authority (QCAA)
Year 3—Indigenous students

Note: Baseline (2008 or 2011) figures are shown for comparison.
Source: Australian Curriculum, Assessment and Reporting Authority (ACARA) and Queensland Curriculum and Assessment Authority (QCAA)
Year 5—All students

- Australia
- All Qld Students
- Qld State Schools

Note: Baseline (2008 or 2011) figures are shown for comparison.
Source: Australian Curriculum, Assessment and Reporting Authority (ACARA) and Queensland Curriculum and Assessment Authority (QCAA)
Year 5—Indigenous students

Note: Baseline (2008 or 2011) figures are shown for comparison.
Source: Australian Curriculum, Assessment and Reporting Authority (ACARA) and Queensland Curriculum and Assessment Authority (QCAA)
Year 7—All students

Note: Baseline (2008 or 2011) figures are shown for comparison.
Source: Australian Curriculum, Assessment and Reporting Authority (ACARA) and Queensland Curriculum and Assessment Authority (QCAA)

Figure 24: Reading

Figure 25: Writing

Figure 26: Numeracy

Note: Baseline (2008 or 2011) figures are shown for comparison.
Source: Australian Curriculum, Assessment and Reporting Authority (ACARA) and Queensland Curriculum and Assessment Authority (QCAA)
Year 7—Indigenous students

Note: Baseline (2008 or 2011) figures are shown for comparison.
Source: Australian Curriculum, Assessment and Reporting Authority (ACARA) and Queensland Curriculum and Assessment Authority (QCAA)
Year 9—All students

Note: Baseline (2008 or 2011) figures are shown for comparison.
Source: Australian Curriculum, Assessment and Reporting Authority (ACARA) and Queensland Curriculum and Assessment Authority (QCAA)

Figure 30: Reading

Figure 31: Writing

Figure 32: Numeracy

Note: Baseline (2008 or 2011) figures are shown for comparison.
Source: Australian Curriculum, Assessment and Reporting Authority (ACARA) and Queensland Curriculum and Assessment Authority (QCAA)
Year 9—Indigenous students

Note: Baseline (2008 or 2011) figures are shown for comparison.
Source: Australian Curriculum, Assessment and Reporting Authority (ACARA) and Queensland Curriculum and Assessment Authority (QCAA)
### Year 12 outcomes

Table 2: Proportion of students awarded certification by the end of Year 12

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>State school students awarded Certification by the end of Year 12</td>
<td>77.1%</td>
<td>81.6%</td>
<td>84.5%</td>
<td>88.4%</td>
<td>92.9%</td>
<td>96.7%</td>
<td>97.8%</td>
<td>98.1%</td>
</tr>
<tr>
<td>All students awarded Certification by the end of Year 12</td>
<td>82.2%</td>
<td>85.5%</td>
<td>87.3%</td>
<td>90.0%</td>
<td>92.7%</td>
<td>95.2%</td>
<td>96.1%</td>
<td>96.4%</td>
</tr>
<tr>
<td>Indigenous state school students awarded Certification by the end of Year 12</td>
<td>53.8%</td>
<td>65.9%</td>
<td>70.2%</td>
<td>75.9%</td>
<td>86.5%</td>
<td>95.0%</td>
<td>97.1%</td>
<td>97.2%</td>
</tr>
</tbody>
</table>

Note: Excludes visa students
Source: Queensland Curriculum and Assessment Authority (as at February 2018)
Proportion of Year 12 with a VET qualification

Figure 36: All students

Proportion of Year 12 OP-eligible or International Baccalaureate students with an OP 1-15 or an International Baccalaureate Diploma (IBD) (state and all schools)

Figure 38: All students

Note: Includes students who undertook a school-based apprenticeship and traineeship; excludes visa students.
Source: Queensland Curriculum and Assessment Authority (as at February 2018)

Note: Excludes visa students.
Source: Queensland Curriculum and Assessment Authority (as at February 2018)

Figure 37: Indigenous state school students

Note: Includes students who undertook a school-based apprenticeship and traineeship; excludes visa students.
Source: Queensland Curriculum and Assessment Authority (as at February 2018)

Note: Excludes visa students.
Source: Queensland Curriculum and Assessment Authority (as at February 2018)

Figure 39: Indigenous state school students

Note: Includes students who undertook a school-based apprenticeship and traineeship; excludes visa students.
Source: Queensland Curriculum and Assessment Authority (as at February 2018)

Note: Excludes visa students.
Source: Queensland Curriculum and Assessment Authority (as at February 2018)
Figure 40: Proportion of 20- to 24-year-olds having attained Year 12 or equivalent, or Certificate II or above (state or non-state schools)

Figure 41: Proportion of students who, six months after completing Year 12, are participating in education, training or employment (state or non-state schools) 2012–16

Source: Australian Bureau of Statistics, Education and Work Australia May 2017 (Catalogue No. 6227.0)

Source: 2012–17 Next Step Surveys
Figure 42: Main destinations of Year 12 completers (state and non-state schools) 2012–17

Source: 2012–17 Next Step Surveys

Figure 43: Main destinations of Indigenous Year 12 completers (state and non-state schools) 2012–17

Source: 2012–17 Next Step Surveys
## Attendance

### Table 3: State school attendance rates by departmental region (%)

<table>
<thead>
<tr>
<th>Region</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Queensland</td>
<td>90.7</td>
<td>90.9</td>
<td>91.5</td>
<td>91.5</td>
<td>91.2</td>
</tr>
<tr>
<td>Darling Downs South West</td>
<td>90.3</td>
<td>90.6</td>
<td>91.1</td>
<td>91.2</td>
<td>90.9</td>
</tr>
<tr>
<td>Far North Queensland</td>
<td>87.9</td>
<td>88.3</td>
<td>88.9</td>
<td>88.9</td>
<td>88.6</td>
</tr>
<tr>
<td>Metropolitan</td>
<td>92.4</td>
<td>92.6</td>
<td>92.8</td>
<td>93.0</td>
<td>93.0</td>
</tr>
<tr>
<td>North Coast</td>
<td>90.4</td>
<td>90.7</td>
<td>91.0</td>
<td>91.2</td>
<td>91.3</td>
</tr>
<tr>
<td>North Queensland</td>
<td>89.0</td>
<td>89.6</td>
<td>89.8</td>
<td>89.4</td>
<td>89.6</td>
</tr>
<tr>
<td>South East</td>
<td>90.7</td>
<td>91.2</td>
<td>91.2</td>
<td>91.6</td>
<td>91.6</td>
</tr>
<tr>
<td>Queensland</td>
<td>90.8</td>
<td>91.1</td>
<td>91.4</td>
<td>91.5</td>
<td>91.5</td>
</tr>
</tbody>
</table>

Note: The student attendance rate is based on Semester 1 each year and is generated by dividing the total of full days and part days that students attended, and comparing this to the total of all possible days for students to attend, expressed as a percentage.

Source: Department of Education (Semester 1, 2013–17) Authority (as at February 2018)

### Table 4: Proportion of state school students by attendance rate range (%), 2017

<table>
<thead>
<tr>
<th>Year level category</th>
<th>Less than 85%</th>
<th>85% to &lt;90%</th>
<th>90% to &lt;95%</th>
<th>95% to 100%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary (Prep–Year 6)</td>
<td>12.3%</td>
<td>11.6%</td>
<td>25.6%</td>
<td>50.4%</td>
</tr>
<tr>
<td>Secondary (Year 7–Year 12)</td>
<td>21.6%</td>
<td>13.4%</td>
<td>24.6%</td>
<td>40.4%</td>
</tr>
</tbody>
</table>

Note: The student attendance rate is based on Semester 1 each year and is generated by dividing the total of full days and part days that students attended, and comparing this to the total of all possible days for students to attend, expressed as a percentage.

Source: Department of Education (Semester 1, 2017)
## Retention

Table 5: Apparent retention rates (ARR) of Queensland and Australian students in Years 10–12 (%), 2009–17

<table>
<thead>
<tr>
<th>Year</th>
<th>State/Territory</th>
<th>Aboriginal and Torres Strait Islander ARR</th>
<th>Non-Indigenous ARR</th>
<th>All ARR</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>Queensland</td>
<td>73.1</td>
<td>88.9</td>
<td>87.8</td>
</tr>
<tr>
<td></td>
<td>Australia</td>
<td>63.0</td>
<td>84.3</td>
<td>83.3</td>
</tr>
<tr>
<td>2016</td>
<td>Queensland</td>
<td>72.0</td>
<td>88.4</td>
<td>87.3</td>
</tr>
<tr>
<td></td>
<td>Australia</td>
<td>60.9</td>
<td>84.0</td>
<td>82.9</td>
</tr>
<tr>
<td>2015</td>
<td>Queensland</td>
<td>72.4</td>
<td>87.7</td>
<td>86.7</td>
</tr>
<tr>
<td></td>
<td>Australia</td>
<td>60.6</td>
<td>83.8</td>
<td>82.7</td>
</tr>
<tr>
<td>2014</td>
<td>Queensland</td>
<td>70.5</td>
<td>87.0</td>
<td>85.9</td>
</tr>
<tr>
<td></td>
<td>Australia</td>
<td>60.4</td>
<td>83.6</td>
<td>82.5</td>
</tr>
<tr>
<td>2013</td>
<td>Queensland</td>
<td>67.0</td>
<td>85.2</td>
<td>84.0</td>
</tr>
<tr>
<td></td>
<td>Australia</td>
<td>55.8</td>
<td>81.9</td>
<td>80.7</td>
</tr>
<tr>
<td>2012</td>
<td>Queensland</td>
<td>62.4</td>
<td>83.6</td>
<td>82.2</td>
</tr>
<tr>
<td></td>
<td>Australia</td>
<td>53.3</td>
<td>80.4</td>
<td>79.3</td>
</tr>
<tr>
<td>2011</td>
<td>Queensland</td>
<td>61.8</td>
<td>83.1</td>
<td>81.8</td>
</tr>
<tr>
<td></td>
<td>Australia</td>
<td>53.5</td>
<td>80.6</td>
<td>79.5</td>
</tr>
<tr>
<td>2010</td>
<td>Queensland</td>
<td>64.0</td>
<td>82.0</td>
<td>81.0</td>
</tr>
<tr>
<td></td>
<td>Australia</td>
<td>52.5</td>
<td>79.5</td>
<td>78.5</td>
</tr>
<tr>
<td>2009</td>
<td>Queensland</td>
<td>60.6</td>
<td>79.8</td>
<td>78.8</td>
</tr>
<tr>
<td></td>
<td>Australia</td>
<td>50.1</td>
<td>77.7</td>
<td>76.7</td>
</tr>
</tbody>
</table>

Note: Queensland state and non-state school students compared with Australian state and non-state school students. The category 'Non-Indigenous' includes students whose Indigenous Status was reported as Not Stated.

Source: Australian Bureau of Statistics, Schools, Australia
**Students with disability**

Figure 44: Number of state schools accessing special education programs

![Bar chart showing the number of state schools accessing special education programs from 2014 to 2018.](chart1)

Source: Centre Information System (CIS)

Figure 45: Number of students with verified disability identified as requiring additional support enrolled in state primary and secondary schools

![Bar chart showing the number of students requiring additional support from 2013 to 2017.](chart2)

Source: AIMS cube (OneSchool) as at November each year
Parent satisfaction

Figure 46: Proportion of parents satisfied with their child’s school

Notes:

- The proportion presents the aggregation of positive responses (‘somewhat agree’, ‘agree’ and ‘strongly agree’) to the statement ‘this is a good school’.
- Until 2013, a random sample of parents/caregivers (to a maximum of 40 from each school) were selected to participate in the survey. From 2014, a census of families (selected by eldest child) were invited to participate in the survey.

Source: Department of Education School Opinion Survey — parent/caregiver survey
## Directions and orders

### Table 6: Summary of directions and orders

<table>
<thead>
<tr>
<th>Type of direction or order</th>
<th>Directions or orders given to persons other than children/young people 2017–18</th>
<th>Directions or orders given to children/young people who are not students of the school</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>State and non-state schools</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prohibition from entering premises of all state educational</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>institutions and non-state schools for up to one year —</td>
<td></td>
<td></td>
</tr>
<tr>
<td>section 352</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>State schools</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direction about conduct or movement for up to 30 days —</td>
<td>138</td>
<td>13</td>
</tr>
<tr>
<td>section 337</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direction to leave and not re-enter for 24 hours — section 339</td>
<td>36</td>
<td>4</td>
</tr>
<tr>
<td>Prohibition from entering premises for up to 60 days — section 340</td>
<td>24</td>
<td>7</td>
</tr>
<tr>
<td>Prohibition from entering premises for more than 60 days but</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>not more than one year — section 341</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Review of direction — section 338:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• the number of review applications made</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>• the number of directions confirmed</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>• the number of directions cancelled</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Prohibition from entering premises of all state education</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>institutions for up to one year — section 353</td>
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<td><strong>Non-state schools</strong></td>
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<tr>
<td>Direction about conduct or movement — section 346</td>
<td>25</td>
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<td>Direction to leave and not re-enter — section 348</td>
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<td>Prohibition from entering premises for more than 60 days but</td>
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<tr>
<td>not more than one year — section 350</td>
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<td><strong>Review of direction — section 347 or 349B:</strong></td>
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<tr>
<td>• the number of directions confirmed</td>
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<tr>
<td>• the number of directions cancelled</td>
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Note: Sections refer to the *Education (General Provisions) Act 2006*, Chapter 12, Parts 6–8.

Source: Department of Education
Appendix C

Supporting services performance

Attendance rate for state school teachers

Table 7: Attendance rate (%) for state school teachers

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<td>2013–14</td>
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<td>94.3</td>
<td>93.9</td>
<td>92.7</td>
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Source: Department of Education

Figure 47: DoE permanent staff retention rate (%)

Figure 48: Proportion of school-based staff who agree that this is a good school
The Premier of Queensland has responsibility for determining ministerial portfolios. The responsibilities of ministers and their portfolios are set out in Administrative Arrangements Orders. The Orders detail principal responsibilities, the Acts administered, and the departments, agencies and office holders responsible for them. The Administrative Arrangements Order is published in the Queensland Government Gazette and online at qld.gov.au/about/how-government-works/government-responsibilities.

Minister for Education

Principal Ministerial Responsibilities

Early Childhood Education and Care including:
- Early Childhood Education and Care Regulated Services
- Kindergarten Programs

Education including:
- Aboriginal and Torres Strait Islander Education
- Distance Education
- Education of Students in Youth Detention Centres
- Home Education
- International Education for Schools
- Primary Education
- Secondary Education
- Special Education

Higher Education including:
- State Government Policy and Planning

Non-State School Accreditation
Non-State School Funding
Registration of Teachers
Acts Administered

- Australian Catholic University (Queensland) Act 2007
- Bond University Act 1987
- Central Queensland University Act 1998
- Education (Accreditation of Non-State Schools) Act 2001
- Education (Accreditation of Non-State Schools) Act 2017
- Education and Care Services Act 2013
- Education and Care Services National Law (Queensland) Act 2011
- Education (Capital Assistance) Act 1993
- Education (General Provisions) Act 2006
- Education (Overseas Students) Act 1996
- Education (Queensland College of Teachers) Act 2005
- Education (Queensland Curriculum and Assessment Authority) Act 2014
- Education (Work Experience) Act 1996
- Grammar Schools Act 2016
- Griffith University Act 1998
- James Cook University Act 1997
- Queensland University of Technology Act 1998
- University of Queensland Act 1998
- University of Southern Queensland Act 1998
- University of the Sunshine Coast Act 1998

Minister for Industrial Relations

Principal ministerial responsibilities

- Chemical Hazards
- Electrical Safety
- Industrial Relations
- Workers’ Compensation
- Workplace Health and Safety

Acts administered

- Anzac Day Act 1995
- Child Employment Act 2006
- Contract Cleaning Industry (Portable Long Service Leave) Act 2005
- Electrical Safety Act 2002
- Fair Work (Commonwealth Powers) and Other Provisions Act 2009
- Holidays Act 1983
- Industrial Relations Act 2016
- Labour Hire Licensing Act 2017
- Pastoral Workers’ Accommodation Act 1980
- Private Employment Agents Act 2005
- Safety in Recreational Water Activities Act 2011
- Trading (Allowable Hours) Act 1990
- Workers’ Accommodation Act 1952
- Workers’ Compensation and Rehabilitation Act 2003
- Work Health and Safety Act 2011
Appendix E
External scrutiny

The Auditor-General is an independent officer of parliament, appointed for a fixed seven-year term. The Queensland Audit Office (QAO) enables the Auditor-General to fulfil this role by providing professional financial and performance audit services to both parliament and the public sector on behalf of the Auditor-General. The Auditor-General Act 2009 governs the powers and functions of the Auditor-General.

The following QAO reports are applicable to the department. For a complete list of all tabled reports by QAO to the Queensland Parliament in the 2017–18 financial year, visit the QAO website at qao.qld.gov.au/reports-resources/parliament.

To effectively manage and identify fraud risks, agencies need to examine their business environments to understand its potential exposure to fraud. Agencies that do not dedicate sufficient time and resources to understanding their fraud risks, can be exposed without realising it. This audit assessed if agencies appropriately identify and assess fraud risks, and apply appropriate risk treatments and control activities to adequately manage their exposure to fraud risks.

The report recommended that all public sector agencies self-assess against the better practices listed in the report, integrate fraud risk management systems within existing enterprise risk management frameworks and monitor agency exposure to risk.

QAO categorise these entities into three sectors. The general government sector provides public services for the collective benefit of the community. Public non-financial corporations provide goods and services that are trading, non-regulatory, or non-financial in nature and Public financial corporations provide financial services.

Each year, the Treasurer prepares the Queensland Government’s consolidated financial statements. These statements provide a complete view of the performance and position of the state government.

Australia’s student performance has been declining on international scales since 2000, despite state and federal governments investing more in schools.

The objective of this audit was to assess the economy and effectiveness of the 'Investing for Success' initiative in supporting students, particularly those most in need, to achieve improved education outcomes.

The report made six recommendations to the Department of Education and provided a copy of the report with a request for comments to the A/Director-General of the Department of Education. The department's response is at Appendix A of the QAO report.

Entities within the Queensland public education sector intend to deliver world-class education and training services. Collectively, the sector aims to help individuals to make positive transitions from early childhood through to all stages of schooling, providing them with the knowledge and skills to prepare them for future education, training or the workforce. This sector provides a variety of services and uses substantial resources to deliver these services.
Appendix F
Governance committees

- Audit and Risk Management Committee
- Fraud and Corruption Control Committee
- Innovation and Information Steering Committee
- Infrastructure and Investment Board
- Minister for Education and Minister for Industrial Relations
- Director-General
  - Education
    - Executive Management Board (EMB)
    - Portfolio Committee
    - Budget Committee
    - Health, Safety and Wellbeing Committee
    - Strategic Leadership and Implementation Committee
    - Indigenous Governance Steering Group
  - Office of Industrial Relations
    - Board of Management
    - ICT Board of Management
    - Health, Safety and Wellbeing Committee
    - Organisational Response Governance Group
Executive Management Board
(also operates in its capacity as Portfolio Committee and Budget Committee)

Functions

The Executive Management Board (EMB) provides executive leadership to support the Director-General to position the department to align with strategic objectives, including setting and reviewing our direction, priorities, financial budgetary decisions and organisational performance.

As the Budget Committee, EMB develops strategies to monitor financial performance against allocations ensuring the budget remains balanced, and supports the department’s mid-year review response and budget submissions.

As the Portfolio Committee, EMB oversees strategic change and prioritises investment management across the department through monitoring programs and projects from Early Childhood and Community Engagement, State Schools, Corporate Services, and Policy, Performance and Planning.

Achievements

Executive Management Board

- Led the department’s implementation of the Government’s election commitments.
- Provided sound financial management, including reprioritisation measures.
- Oversaw the development, review and approval of major strategic priorities.

Portfolio Committee

- Project and program management capability training was delivered to over 600 staff across head office and regions for project officers, project managers, project executives, program managers and Board Members.
- A consolidated Portfolio Management Office (PMO) Roadmap, which forward plans action areas over 2017–18, was developed.
- A baseline project, program and portfolio maturity assessment was completed in December 2017 with a dashboard created to track progress of implementation of recommendations.
- Program management minimum standards were created.
- Initiation of the Enterprise Project Portfolio Management system project to provide a single system for efficiently managing the sub-portfolios, programs and projects across the department.

Membership

- Director-General
- Deputy Director-General, Corporate Services
- Deputy Director-General, Policy, Performance and Planning
- Deputy Director-General, State Schools
- Deputy Director-General, Early Childhood and Community Engagement
- Assistant Director-General, Finance/Chief Finance Officer
- Deputy Director-General, Office of Industrial Relations
- Regional Director
- Executive Director, Office of the Director-General

Budget Committee

- Provided key funding allocation decisions to support the department’s strategic direction.
- Supported the Department of Education’s contribution to the State Budget Papers.
- Continued to monitor the five-year operating budget plan to ensure the department is financially sustainable.
- Ensure a balanced 2017–18 internal budget.
- Monitored divisions’ and regions’ financial performance against budget allocations on a monthly basis.
- Conducted the Mid-Year Review to ensure emerging financial issues were appropriately addressed.
- Approved the Department of Education’s four-year Infrastructure Investment Program.
- Reviewed and approved changes to monitoring of the department back office full-time equivalent (FTE) employees.
- Approved the 2018–19 internet budget process.

- Director-General
- Deputy Director-General, Corporate Services
- Deputy Director-General, Policy, Performance and Planning
- Deputy Director-General, State Schools
- Deputy Director-General, Early Childhood and Community Engagement
- Assistant Director-General, Finance/Chief Finance Officer
- Deputy Director-General, Office of Industrial Relations
- Regional Director
- Executive Director, Office of the Director-General
### Strategic Leadership and Implementation Committee

**Functions**

The Strategic Leadership and Implementation Committee provides advice to the Executive Management Board to support integrated and effective service delivery across the department to meet its strategic objectives.

**Achievements**

- Planning for improvement
- Operational culture
- Preparing for disaster and emergency management

**Membership**

- Director-General
- Deputy Director-General, Corporate Services
- Deputy Director-General, State Schools
- Deputy Director-General, Early Childhood and Community Engagement
- Deputy Director-General, Policy, Performance and Planning
- Deputy Director-General, Office of Industrial Relations
- Assistant Director-General, Finance and Chief Finance Officer
- Assistant Director-General, Infrastructure Services
- Assistant Director-General, Information and Technologies
- Assistant Director-General, Human Resources
- Assistant Director-General, Strategy and Performance
- Assistant Director-General, Strategic Policy and Intergovernmental Relations
- Assistant Director-General, Rural, Remote and International
- Assistant Director-General, Performance
- Assistant Director-General, Operations
- Assistant Director-General, Indigenous Education
- Assistant Director-General, Disability and Inclusion
- Assistant Director General, Operations A/Regional Director
- Regional Directors
- Executive Director, Office of the Director-General

### Audit and Risk Management Committee

**Functions**

The Audit and Risk Management Committee (ARMC) provides independent audit and risk management advice to the Director-General, as required under section 35 of the Financial and Performance Management Standard 2009. The Fraud and Corruption Control Committee reports through the ARMC as a subcommittee.

**Achievements**

- Reviewed and endorsed the department’s financial statements.
- Noted the Chief Finance Officer Statement of Assurance.
- Monitored Internal Audit key performance indicators and measures.
- Improved reporting from the Fraud and Corruption Control Committee in terms of a more detailed summary paper.
- Significant improvement by management in the finalisation of long-term outstanding high priority audit findings.

**Membership**

- External Chair — Karen Prentis
- External Member — Julie Cotter
- Deputy Director-General, Corporate Services
- Deputy Director-General, Early Childhood and Community Engagement
- Deputy Director-General, State Schools
- Deputy Director-General, Office of Industrial Relations
Office of Industrial Relations Health, Safety and Wellbeing Committee

Functions
The Office of Industrial Relations Health, Safety and Wellbeing Committee provides advice on responsibilities of strategic oversight, direction and continuous improvement of health, safety and wellbeing outcomes for the Office of Industrial Relations.

Achievements
• Development of Terms of Reference.
• Review and endorsement of Resolving Health, Safety and Wellbeing (HSW) Issues Process.
• Review and endorse Mental Health Strategy.
• Formation of Subcommittee to review Occupational Violence.

Membership
• Executive Director Business and Corporate Services
• Director, Organisational Culture
• Director, Licensing Advisory Services
• Director, Facilities, Finance and Procurement
• Manager, Health and Wellbeing
• Principal Governance Coordinator
• Executive Director, Industrial Relations
• Executive Director, Workers’ Compensation Policy and Services
• Executive Director, Specialised Health and Safety Services
• Executive Director, WHS Compliance Field Services
• Executive Director, Electrical Safety Office
• Principal Advisor, Ergonomics
• Senior Inspector
• Manager, Leadership and Culture
• Manager, Strategic Policy
• Team Leader, Review and Appeals
• Principal Inspector Ipswich
• Senior Project Officer
• Principal Inspector
• Principal Inspector

Indigenous Governance Committee

Functions
The Indigenous Governance Committee provides advice to the Executive Management Board (EMB) regarding opportunities across the department for innovative strategies to achieve early childhood and education goals for Aboriginal and Torres Strait Islander Queenslanders by fostering collaborative and integrated working arrangements, discussion and debate.

Achievements
• Endorsement of the DoE Information sheet: Use of Aboriginal and Torres Strait Islander terminology.
• Provide advice on the development of the Indigenous Academic Excellence initiative.
• Provide advice on the development of the Rural and Remote Education Strategy.
• Provide advice on the development of the Queensland Government Reconciliation Action Plan (RAP).

Membership
• Deputy Director-General, Policy, Performance and Planning
• Deputy Director-General, State Schools
• Deputy Director-General, Early Childhood and Community Engagement
• Deputy Director-General, Corporate Services
• Deputy Director-General, Training and Skills
• Assistant Director-General, State Schools — Indigenous Education
• Regional Director
• Principal
• External Member – Leon Epong (remuneration: $390 per day)
Department of Education Health, Safety and Wellbeing Committee

Functions
The Health, Safety and Wellbeing Committee (HSWC) provides advice to the Executive Management Board (EMB) to fulfil its corporate governance responsibilities of strategic oversight, direction and continuous improvement of health, safety and wellbeing outcomes for the Department of Education.

Achievements
• Established a communication for distribution from the Chair of the department’s HSW committee following meetings for regional committees, including actions arising and highlights.
• Initiated a procedure to address risks of occupational violence in the workplace.
• Invited guests from regions to represent Health and Safety Consultants at the department forum.
• Provided input into the revised safety ‘performance scorecard reports’.
• Gained knowledge of HSW risks through:
  • audit reports
  • incident reviews
  • regulatory interactions and notices
  • information sharing, presentations and reviews
  • key performance indicator (KPI) and performance reports.

Membership
• Deputy Director-General
• Regional Director, Darling Downs – South West
• Assistant Director-General, State School Operations
• Assistant Director-General, State Schools – Performance
• Assistant Director-General, Infrastructure Services
• Executive Director, Business Partnering, Safety and Wellbeing
• Executive Director, School Improvement Unit
• Director, Governance, Strategy and Planning
• Director, Organisational Safety and Wellbeing
• Executive Director, Office of Early Childhood and Community Engagement
• Executive Director, Legal and Administrative Law Branch (Observer)
• Head of Internal Audit (Observer)

Fraud and Corruption Control Committee

Functions
The Fraud and Corruption Control Committee (FCCC) provides advice to the Audit and Risk Management Committee (ARMC) regarding strategies to champion, oversee, monitor and coordinate the various fraud and corruption mitigation mechanisms in effect in the Department of Education.

Achievements
• Implemented the department’s 2017–18 Fraud and Corruption Control program.
• Reviewed FCCsC operations, membership and terms of reference.
• Reviewed internal reports, including Fraud and Misappropriation Case Status reports; and assessed the department’s response to identified issues.
• Developed and implemented a series of high level fraud and corruption risk identification workshops as recommended by the QAO Fraud Risk Management Report (Report 6: 2017–18) and CCC Corruption Audit Report (Effectiveness of Queensland public sector corruption risk assessment). Workshops will develop a specific and comprehensive list of fraud and corruption risks specific to regional and central office business units. This list will be contained within the departments risk register (Risk Express) for review and constant assessment on a quarterly basis which will also inform the risk management process across DoE.
• Liaised with DET International in formulating new policy replacing ‘Applying for Leave combined with International Travel’ procedure. Review ensured its alignment with whole-of-government policy.
• Arranged for and received a presentation and briefing (3 August 2017) from Mr Alan MacSporran QC, Chairperson of the Queensland Crime and Corruption Commission. Briefing focused on ‘Corruption Trends: CCC corruption allegations data’.
• Fraud Awareness Week campaign – conducted annual campaign including ‘Focus on Fraud’ forum at which Mr Alan MacSporran was guest speaker.

Membership
• Deputy Director-General, Corporate Services
• Assistant Director-General, Finance and CFO
• Assistant Director-General, Human Resources
• Assistant Director-General, Strategy and Performance
• Executive Director, Integrity and Employee Relations
• Head of Internal Audit (Observer)
**Innovation and Information Steering Committee**

**Functions**  
The Innovation and Information Steering Committee (IISC) oversees the strategic direction and proactively manages the investments in innovation, information management, and information and communication technologies (ICT) within the department. The committee determines the strategic value of each change initiative and investment to support strategy implementation and service delivery.

**Achievements**  
- Endorsed and managed the **ICT Portfolio Plan 2017–18**, consisting of 44 in-flight initiatives.
- Managed and monitored the Business ICT Investment Fund (BIIF) budget of $28.071M, which supports 31 of the 44 in-flight initiatives.
- Ensured ICT-enabled initiatives followed agreed investment criteria and the strategic value of each change initiative was categorised, prioritised and balanced.
- Updated the ICT Project Lifecycle to align with the department’s Project Lifecycle.
- Improved the reporting of ICT Portfolio Risk, monitored initiatives with extreme or high risk levels, and undertook corrective actions.
- Improved financial management monitoring, reporting, re-investments and phase funding release of initiatives.
- Submitted quarterly IT Portfolio Reports to Executive Management Board (EMB) Portfolio Committee.
- Monitored initiatives reporting Red or Amber, and sought presentations from initiatives reporting Red or Amber for greater than three consecutive months.
- Published significant ICT initiatives on the Queensland Government ICT Dashboard.
- Approved Subcommittees Terms of References.
- Established a Project Management Community of Practice Network for ICT-enabled initiatives.

**Membership**  
- Assistant Director-General, Information and Technologies
- Assistant Director-General, Strategy and Performance
- Executive Director, Work Health and Safety Engagement and Policy Services
- Assistant Director-General, Finance

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**ICT Board of Management**

**Functions**  
The Information and Communications Technology (ICT) Board of Management was established to improve decision making regarding ICT investments.

**Achievements**  
Development of investment process that prioritises investments against the Office Industrial Relations’ overall strategic direction.

**Membership**  
- Deputy Director-General, Office of Industrial Relations
- Executive Director, Industrial Relations
- Executive Director, Workers’ Compensation Policy Services
- Executive Director, Work Health and Safety Engagement and Policy Services
- Executive Director, Specialised Health and Safety Services
- Executive Director, Govenance, Projects and Administration
- Executive Director, Governance, Strategy and Planning
- Executive Director, Information and Quality
- Executive Director, Legal and Administrative Law Branch
- Chief Procurement Officer
- Director, Direction Setting, Infrastructure Services
- Director, Information and Communications Technology Sustainability
- Director, Portfolio and Architecture
- Regional Director, South East Region
- Manager, Information and Communications Technology Portfolio Office
- Head of Internal Audit – (Observer)
- Executive Director, Information and Quality – (Observer)
Office of Industrial Relations Board of Management Committee

Functions
The Board of Management Committee is the main decision making body within the Office Industrial Relations (OIR). It considers strategic issues and risks and has overall responsibility for management of the business in supporting the Director-General, Department of Education in discharging their responsibilities as the accountable officers. The Board of Management (BOM) monitors and oversees OIR operations, ensuring direction through proper procedures for the maintenance of adequate accounting, workforce management, performance and other records of internal control, and ensuring compliance with the department’s governance.

Achievements
- Endorsement of the following key initiatives:
  - Health Safety and Wellbeing Committee re-established and operational
  - Mental Health Strategy
  - Recognition of Service Awards
  -Voluntary Medical Retirement procedure
  - Injury Illness and Extended Leave Management
  - implementation of face-to-face on-boarding session for new employees
  - ANSZOG program funding for 2019
  - Aurion Timekeeper rollout across OIR
  - formalisation of OIR student and graduate program.

Membership
- Deputy Director-General, OIR
- Executive Director, Business and Corporate Services OIR
- Executive Director, Work Health and Safety Engagement and Policy Services
- Executive Director, Specialised Health and Safety Services
- Executive Director, Work Health and Safety Compliance and Field Services
- Executive Director, Industrial Relations
- Executive Director, Workers’ Compensation Policy and Services
- Executive Director, Electrical Safety Office
- Director, Finance, Facilities and Procurement
- Director, Human Resources, Right to Information and Information Privacy
- Director, Organisational Culture
- Director, Information Communication and Technology
- Director, Business Innovation and Planning
- Principal Governance Coordinator, Business Innovation and Planning

Office of Industrial Relations Organisational Response Governance Group

Functions
The role of the Organisational Response Governance Group (ORGG) is to oversee Office of Industrial Relations (OIR) strategic responses to fatality notifications (including electrocutions), and, in particular:
- determine whether coronial recommendations directed to OIR are accepted, not accepted or accepted in part
- consider relevant coronial findings and comment
- decide, and then monitor the implementation of, OIR responses to accepted coronial recommendations, findings or comment
- monitor all OIR decisions where the decision is to not comprehensively investigate a fatality notification
- monitor, co-ordinate relevant research where necessary and advise accordingly whether existing organisational strategies and responses are meeting OIR’s charter in the context of fatality notifications, investigation outcomes and coronial input.

Achievements
- ORGG considered the inquest findings and recommendations in five new cases (Ackerman, Farrell, Finlayson, Kennedy, Leonard and Ross) and monitored the ongoing OIR response to those matters and three other matters in which coronial recommendations were carried over from 2016/17: Trott, Newport and Garrels.
- ORGG also reviewed and considered 101 finalised fatality investigations and completed monitoring the OIR’s responses to recommendations in the Ombudsman’s The workplace death investigations report.

Membership
- Executive Director, Work Health and Safety Engagement and Policy Services
- Executive Director, Specialised Health and Safety Services
- Executive Director, Electrical Safety Office
- Senior Director, Prosecution Services
- Director, Work and Electrical Safety Policy
- Director, Coronial and Enforceable Undertakings
- Director, Industry Engagement and Programs
- Director, Investigation Services
- Manager, Coronial and Liaison Unit
Infrastructure Investment Board

Functions
The Infrastructure Investment Board is the governing body for ensuring that the Infrastructure Investment Program meets the Department of Education’s strategic and operational requirements; and that good governance and due diligence is applied in the formulation of the Investment Program.

Achievements
- Endorsement and oversight of Infrastructure Investment Program (IIP) with 2017–18 budget of $905.3 million.
- Endorsement of project variations to the IIP.
- Endorsement of business cases for new state schools for delivery in 2020.
- Development of Infrastructure Investment Board Charter as part of the governance framework.
- Opportunity for development of whole-of-government understanding of Department of Education infrastructure investments.

Membership
- Deputy Director-General, Early Childhood and Community Engagement
- Deputy Director-General, Corporate Services
- Assistant Director-General, Infrastructure Services
- Assistant Director-General, State Schools — Rural, Remote and International
- Assistant Director-General, Information and Technologies
- A/Assistant Director-General and Chief Finance Officer
- Deputy Director-General, Public Works and Asset Management, Department of Housing and Public Works
- Director, Economic Policy, Department of the Premier and Cabinet
- Principal Treasury Analyst, Education and Technology, Queensland Treasury
### Acronyms

| A | ABS | Australian Bureau of Statistics |
|   | ACARA | Australian Curriculum, Assessment and Reporting Authority |
|   | ACES | Advancing Clean Energy Schools |
|   | AEDC | Australian Early Development Census |
|   | ALCA | Asset Life Cycle Assessment |
|   | AMEB | Australian Music Examinations Board |
|   | ARMC | Audit and Risk Management Committee |
|   | ARR | Apparent Retention Rate |
| B | BCITF | Building and Construction Industry Training Fund |
|   | BIIF | Business ICT Investment Fund |
| C | C2C | Curriculum into the Classroom |
|   | CPA | Certified Practising Accountant |
| D | DoE | Department of Education |
|   | DFV | Domestic family violence |
| E | EMB | Executive Management Board |
|   | ECCE | Early Childhood and Community Engagement |
| F | FCCsC | Fraud and Corruption Control subcommittee |
|   | FPMS | Financial and Performance Management Standard |
|   | FTE | Full-time equivalent |
| H | HSWC | Health, Safety and Wellbeing Committee |
| I | IBD | International Baccalaureate Diploma |
|   | ICT | Information and communications technology |
|   | IGC | Indigenous Governance Committee |
|   | IUH | Institute for Urban Indigenous Health |
|   | IPaM | Injury Prevention and Management program |
|   | IT | Information technology |
| K | KPI | Key Performance Indicator |
| N | NAPLAN | National Assessment Program—Literacy and Numeracy |
|   | NMS | National Minimum Standard |
|   | NPA | National Partnership Agreement |
| O | OIC | Office of the Information Commissioner |
|   | OIR | Office of Industrial Relations |
|   | OP | Overall Position |
| P | P&C | Parents and Citizens’ Association |
|   | PELD | Pathways for Early Learning and Development |
|   | PSM | Public Service Medal |
|   | PV | Photovoltaic |
| Q | QAO | Queensland Audit Office |
|   | QCAA | Queensland Curriculum and Assessment Authority |
|   | QCE | Queensland Certificate of Education |
|   | QCIA | Queensland Certificate of Individual Achievement |
|   | QCT | Queensland College of Teachers |
|   | QCWA | Queensland Country Women’s Association |
|   | Qld | Queensland |
|   | QSSR | Queensland State School Resourcing |
| R | RTI | Right to Information |
| S | SATE | Senior Assessment and Tertiary Entrance system |
|   | SES | Senior Executive Service |
|   | SIE | School Infrastructure Enhancement |
|   | SIU | School Improvement Unit |
|   | SLIC | Strategic Leadership and Implementation Committee |
|   | SSIP | School Strategic Infrastructure Plans |
|   | STEM | Science, technology, engineering and mathematics |
| V | VET | Vocational education and training |
| W | WHS | Work Health and Safety |
|   | WHSQ | Workplace Health and Safety Queensland |
### Glossary

<table>
<thead>
<tr>
<th><strong>A</strong></th>
<th><strong>AS/NZS ISO 31000:2009</strong></th>
<th>An international standard which provides principles and generic guidelines on risk management.</th>
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<tbody>
<tr>
<td></td>
<td><strong>Australian Curriculum</strong></td>
<td>The national curriculum for students in K (Prep) to Year 12 covering subject areas outlined in the Melbourne Declaration (2008).</td>
</tr>
<tr>
<td></td>
<td><strong>Australian Early Development Census (AEDC)</strong></td>
<td>A population measure of how children have developed by the time they start school. Data is captured on five domains of early childhood development: physical health and wellbeing, social competence, emotional maturity, language and cognitive skills, and communication skills and general knowledge. It is a national census conducted every three years with the last census conducted in 2015.</td>
</tr>
<tr>
<td><strong>C</strong></td>
<td><strong>Certification</strong></td>
<td>Either a Queensland Certificate of Education (QCE) or a Queensland Certificate of Individual Achievement (QCIA).</td>
</tr>
<tr>
<td></td>
<td><strong>Code of Practice</strong></td>
<td>A set of rules that explain how people working in a particular profession should behave.</td>
</tr>
<tr>
<td></td>
<td><strong>Curriculum into the Classroom (C2C)</strong></td>
<td>A comprehensive set of example planning resources to assist teachers and schools to implement the Australian Curriculum in many different school contexts.</td>
</tr>
<tr>
<td><strong>D</strong></td>
<td><strong>Department of Education International</strong></td>
<td>The Queensland Government’s key coordination point for positioning Queensland’s state school sector internationally and increasing its level of global engagement.</td>
</tr>
<tr>
<td></td>
<td><strong>Deadly Kindies</strong></td>
<td>A collaboration between the Institute for Urban Indigenous Health and the Queensland Department of Education. The initiative is designed to highlight the importance of kindergarten in early childhood education and encourage attendance.</td>
</tr>
<tr>
<td><strong>F</strong></td>
<td><strong>Full-time equivalents (FTEs)</strong></td>
<td>A representative number that is calculated by assessing the hours worked over the financial year by all full-time and part-time employees, and converting this to a corresponding number of employees as if all staff were full-time.</td>
</tr>
<tr>
<td><strong>I</strong></td>
<td><strong>Indigenous</strong></td>
<td>A person who identifies to be of Aboriginal and/or Torres Strait Islander origin.</td>
</tr>
<tr>
<td></td>
<td><strong>Injury Prevention and Management Program (IPaM)</strong></td>
<td>Injury Prevention and Management Program is a project of the Office of Industrial Relations.</td>
</tr>
<tr>
<td></td>
<td><strong>International Baccalaureate Diploma (IBD)</strong></td>
<td>An internationally recognised, two-year curriculum that prepares 16- to 19-year-old students for university. Students receive credit for subjects studied in the program at leading universities around the world, reducing the time required to complete a Bachelor degree.</td>
</tr>
<tr>
<td><strong>K</strong></td>
<td><strong>Key performance indicator (KPI)</strong></td>
<td>Tracking indicator used to measure the achievement of outputs against goals.</td>
</tr>
<tr>
<td></td>
<td><strong>Kindergarten program</strong></td>
<td>An education program delivered to children in the year before full-time school by a qualified early childhood teacher for 600 hours a year. Government-approved kindergarten programs are available in a range of settings, including standalone kindergarten services, and kindergarten services operated by non-state schools, long-day care services, and selected schools in some remote and discrete Indigenous communities.</td>
</tr>
<tr>
<td><strong>N</strong></td>
<td><strong>National Assessment Program—Literacy and Numeracy (NAPLAN)</strong></td>
<td>Annual tests conducted nationally in Years 3, 5, 7 and 9 covering reading, writing, spelling, grammar and punctuation, and numeracy. The results provide information for teachers and schools on individual student performance on a national basis. This is used to identify areas of strength and where further assistance may be required. NAPLAN tests are part of a collaborative process between states and territories, the Australian Government and non-government school sectors.</td>
</tr>
<tr>
<td></td>
<td><strong>National Minimum Standard (NMS)</strong></td>
<td>Nationally-set standards against which the results of NAPLAN tests are compared. For each year level, a minimum standard is defined and located on the common underlying scale. Band 2 is the minimum standard for Year 3; Band 4 is the minimum standard for Year 5; Band 5 is the minimum standard for Year 7; and Band 6 is the minimum standard for Year 9.</td>
</tr>
<tr>
<td><strong>National Partnership Agreement</strong></td>
<td>An agreement between the Commonwealth and the states and territories to facilitate coordination, monitoring and delivery of strategies to improve service delivery.</td>
<td></td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td><strong>National Quality Framework</strong></td>
<td>The National Quality Framework provides for the regulation and quality assessment and rating of long-day care, family day care, preschool/kindergarten, and outside school hours care services across Australia. The framework includes the National Law and National Regulations, the National Quality Standard, an assessment and quality rating process and national learning frameworks.</td>
<td></td>
</tr>
<tr>
<td><strong>National Quality Standard</strong></td>
<td>A key aspect of the National Quality Framework and sets a national benchmark for early childhood education and care services.</td>
<td></td>
</tr>
<tr>
<td><strong>O OneSchool</strong></td>
<td>An automated system in all Queensland state schools which provides teachers, administrators and principals with secure, easy access to information about students, curriculum, assessment and progress reporting, school facilities and school finance.</td>
<td></td>
</tr>
<tr>
<td><strong>Operational Plan</strong></td>
<td>Translates agency objectives into the services (outputs) that it will provide to its clients, and the standards for those services (performance measures).</td>
<td></td>
</tr>
<tr>
<td><strong>P Parents and Citizens’ Association (P&amp;C)</strong></td>
<td>A group of community-minded parents and citizens who take on a more formal role to assist a school by providing feedback on school policies and activities, additional resources to be used to enhance student learning, and providing parents with greater opportunities to be involved in their child’s education.</td>
<td></td>
</tr>
<tr>
<td><strong>Pneumoconiosis</strong></td>
<td>A disease of the lungs due to inhalation of dust, characterised by inflammation, coughing and fibrosis.</td>
<td></td>
</tr>
<tr>
<td><strong>Portfolio</strong></td>
<td>The department or group of departments for which a Minister is responsible.</td>
<td></td>
</tr>
<tr>
<td><strong>Prep</strong></td>
<td>A full-time, non-compulsory program that replaced preschool. It runs five days a week and follows the established school times and routines. Taking a play- and inquiry-based approach to learning, Prep is offered at every Queensland state school and selected independent and Catholic schools.</td>
<td></td>
</tr>
<tr>
<td><strong>Pre-Prep</strong></td>
<td>Refer to kindergarten program.</td>
<td></td>
</tr>
<tr>
<td><strong>Q Queensland Curriculum and Assessment Authority (QCAA)</strong></td>
<td>This statutory body is responsible for providing kindergarten to Year 12 syllabuses and guidelines, and assessment, testing, reporting, certification and tertiary entrance services to Queensland schools.</td>
<td></td>
</tr>
<tr>
<td><strong>S Service Delivery Statement (SDS)</strong></td>
<td>Budget papers prepared annually on a portfolio basis by agencies reporting to each minister and the Speaker. It provides budgeted financial and non-financial information for the budget year. The SDS sets out the priorities, plans and financial statements of agencies.</td>
<td></td>
</tr>
<tr>
<td><strong>Special Education Programs</strong></td>
<td>A grouping of specialist teachers with experience and/or qualifications in dedicated areas of specialisation to support the education program for students with disability.</td>
<td></td>
</tr>
<tr>
<td><strong>Strategic Plan</strong></td>
<td>The document which provides the agency’s purpose and direction. It outlines the department’s overall objectives (including its contribution to whole-of-government objectives, ambitions and targets) and how it will know if it has achieved those agency objectives (performance indicators).</td>
<td></td>
</tr>
<tr>
<td><strong>Supporting People Experiencing Learning Differences (Speld) Qld</strong></td>
<td>A not-for-profit organisation whose goal is to provide a quality educational support service to support people experiencing learning differences across our state.</td>
<td></td>
</tr>
<tr>
<td><strong>Traineeship</strong></td>
<td>A system of training regulated by law or custom which combines on-the-job training and work experience with formal off-the-job training, while in paid employment.</td>
<td></td>
</tr>
<tr>
<td><strong>W Work Health and Safety Queensland (WHSQ)</strong></td>
<td>Work Health and Safety Queensland, a unit of the Office of Industrial Relations.</td>
<td></td>
</tr>
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Financial statements
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For the Year Ended 30 June 2018

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For the Year Ended 30 June 2018

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</table>
The accompanying notes form part of these statements.

An explanation of major variances is included at Note E1.

### Total Comprehensive Income

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total result from continuing operations</td>
<td></td>
</tr>
<tr>
<td>Operating result</td>
<td></td>
</tr>
<tr>
<td>Total before investment in assets (deficit)</td>
<td></td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td></td>
</tr>
</tbody>
</table>

#### Total Expenses from Continuing Operations

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total before interest</td>
<td></td>
</tr>
<tr>
<td>Interest</td>
<td></td>
</tr>
<tr>
<td>Total after interest</td>
<td></td>
</tr>
</tbody>
</table>

#### Total Income from Continuing Operations

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total before tax</td>
<td></td>
</tr>
<tr>
<td>Tax</td>
<td></td>
</tr>
<tr>
<td>Total after tax</td>
<td></td>
</tr>
</tbody>
</table>

#### Operating Result

<table>
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<th>Description</th>
<th>Notes</th>
</tr>
</thead>
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<tr>
<td>Variance</td>
<td></td>
</tr>
<tr>
<td>Budget</td>
<td></td>
</tr>
<tr>
<td>Actual</td>
<td></td>
</tr>
<tr>
<td>Variance</td>
<td></td>
</tr>
</tbody>
</table>

For the Year Ended 30 June 2018

Department of Education

Statement of Comprehensive Income
## Department of Education

### Statement of Comprehensive Income by Major Departmental Service

#### for the year ended 30 June 2018

<table>
<thead>
<tr>
<th>Appropriation revenue</th>
<th>2018 $'000</th>
<th>2017 $'000</th>
<th>Increase/(decrease)</th>
<th>2018 $'000</th>
<th>2017 $'000</th>
<th>Increase/(decrease)</th>
<th>2018 $'000</th>
<th>2017 $'000</th>
<th>Increase/(decrease)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee expenses</td>
<td>37,458</td>
<td>39,186</td>
<td>(1,728)</td>
<td>6,488,158</td>
<td>6,161,373</td>
<td>316,785</td>
<td>26,270</td>
<td>48,130</td>
<td>(21,860)</td>
</tr>
<tr>
<td>Supplies and services</td>
<td>20,333</td>
<td>26,610</td>
<td>(6,277)</td>
<td>1,388,040</td>
<td>1,235,468</td>
<td>152,572</td>
<td>36,603</td>
<td>60,639</td>
<td>(24,036)</td>
</tr>
<tr>
<td>Grants and subsidies</td>
<td>193,169</td>
<td>188,892</td>
<td>4,277</td>
<td>74,969</td>
<td>56,130</td>
<td>18,839</td>
<td>363,879</td>
<td>859,796</td>
<td>(495,917)</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>2,518</td>
<td>3,548</td>
<td>(1,030)</td>
<td>505,258</td>
<td>497,920</td>
<td>7,338</td>
<td>11,925</td>
<td>20,841</td>
<td>(9,916)</td>
</tr>
<tr>
<td>Impairment losses</td>
<td>(653)</td>
<td>139</td>
<td>(514)</td>
<td>(1,376)</td>
<td>6,877</td>
<td>(7,253)</td>
<td>297</td>
<td>87</td>
<td>(204)</td>
</tr>
<tr>
<td>Finance/borrowing costs</td>
<td>-</td>
<td>9</td>
<td>9</td>
<td>30,545</td>
<td>28,034</td>
<td>2,511</td>
<td>11,592</td>
<td>23,084</td>
<td>(11,492)</td>
</tr>
<tr>
<td>Other expenses</td>
<td>649</td>
<td>254</td>
<td>395</td>
<td>84,426</td>
<td>67,712</td>
<td>16,714</td>
<td>1,332</td>
<td>1,781</td>
<td>(449)</td>
</tr>
</tbody>
</table>

**Total Expenses from Continuing Operations**

| 253,474 | 258,638 | (5,164) | 8,570,020 | 8,053,514 | 516,506 |

**Income from Continuing Operations**

| 1,675 | 938 | 737 | 53,820 | 27,876 | 25,944 |

**Other Comprehensive Income**

| 0 | 0 | 0 | 3 | 3 | 0 | 0 |

**Total Comprehensive Income**

| 1,675 | 938 | 737 | 53,820 | 27,876 | 25,944 |

**Operating Result for the Year**

| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
Department of Education

Statement of Financial Position
as at 30 June 2018

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<th>2018</th>
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<td>Total Equity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asset realization surplus</td>
<td>14 698 594</td>
<td>17 008 004</td>
<td>2 309 410</td>
</tr>
<tr>
<td>Accounted surplus</td>
<td>24 935</td>
<td>27 181</td>
<td>2 246</td>
</tr>
<tr>
<td>Consolidated equity</td>
<td>3 474 916</td>
<td>3 476 252</td>
<td>1 346</td>
</tr>
<tr>
<td>Net Assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other non-current liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest-bearing liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provisions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total current liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accrued employee benefits</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest-bearing liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total non-current assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-current assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other current assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest-bearing liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: An explanation of major variances is included at Note E1.

The accompanying notes form part of these statements.
<table>
<thead>
<tr>
<th>Department</th>
<th>ASSETS</th>
<th>Liabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Assets</td>
<td>500,000</td>
<td>300,000</td>
</tr>
<tr>
<td>Liabilities</td>
<td>200,000</td>
<td>100,000</td>
</tr>
</tbody>
</table>

Department of Education - Statement of Assets and Liabilities by Major Departmental Service

Period: 1st June 2018 to 30th June 2018
<table>
<thead>
<tr>
<th>18 690,524</th>
<th>3 474,678</th>
<th>4 979,961</th>
<th>14 979,961</th>
<th>24,385</th>
<th>24,385</th>
</tr>
</thead>
<tbody>
<tr>
<td>690,524</td>
<td>3,474,678</td>
<td>4,979,961</td>
<td>690,524</td>
<td>3,474,678</td>
<td>4,979,961</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these statements.

Department of Education

**Statement of Changes in Equity**

**Transactions with Owners as Owners**
- Approved equity injections
  - Receipt of government grants - transfer of other assets
- Disbursement of government grants - transfer of other assets
- Increase (decrease) in asset reservation surplus

**Net Transactions with Owners as Owners**
- Increase (decrease) in asset reservation surplus
- Operating result from continuing operations
- Other comprehensive income

**Total Comprehensive Income**

**Balance as at 1 July 2016**

<table>
<thead>
<tr>
<th>187,176</th>
<th>4,849,158</th>
</tr>
</thead>
<tbody>
<tr>
<td>19,192</td>
<td>4,664,964</td>
</tr>
</tbody>
</table>

**Balance as at 30 June 2017**

<table>
<thead>
<tr>
<th>19,192</th>
<th>4,664,964</th>
</tr>
</thead>
<tbody>
<tr>
<td>187,176</td>
<td>4,849,158</td>
</tr>
</tbody>
</table>
**Department of Education**

**Statement of Cash Flows**
for the year ended 30 June 2018

<table>
<thead>
<tr>
<th>Description</th>
<th>Year Ended 30 June 2018</th>
<th>Year Ended 30 June 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash and cash equivalents - closing balance</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2,906,007</td>
<td>3,777,755</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents - opening balance</strong></td>
<td>2,906,007</td>
<td>3,777,755</td>
</tr>
<tr>
<td><strong>Net increases/(decreases) in cash and cash equivalents</strong></td>
<td>229,807</td>
<td>47,218</td>
</tr>
<tr>
<td><strong>Net cash provided by (used in) financing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Payments of borrowings, lease payments</strong></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Interest payments</strong></td>
<td>68,197</td>
<td>66,239</td>
</tr>
<tr>
<td><strong>Proceeds from borrowings and issuance of leases</strong></td>
<td>41,960</td>
<td>20,976</td>
</tr>
<tr>
<td><strong>Net cash used in financing activities</strong></td>
<td>(67,597)</td>
<td>(49,205)</td>
</tr>
<tr>
<td><strong>Net cash provided by (used in) investing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Payments for property, plant and equipment</strong></td>
<td>(6,905,677)</td>
<td>(5,345,159)</td>
</tr>
<tr>
<td><strong>Payments of other assets</strong></td>
<td>1,112</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net cash used in investing activities</strong></td>
<td>(6,906,789)</td>
<td>(5,345,159)</td>
</tr>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net cash used in (provided by) operating activities</strong></td>
<td>(6,906,789)</td>
<td>(5,345,159)</td>
</tr>
</tbody>
</table>

*An explanation of major variances is included at Note E1.*

The accompanying notes form part of these statements.
NOTES TO THE STATEMENT OF CASH FLOW

CF-1  Reconciliation of Operating Result to Net Cash Provided by Operating Activities

<table>
<thead>
<tr>
<th>Description</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-cash changes</td>
<td>$1,230</td>
<td>$1,340</td>
</tr>
<tr>
<td>Operating surplus/(deficit)</td>
<td>$657</td>
<td>$795</td>
</tr>
<tr>
<td>Depreciation and amortisation expense</td>
<td>$520</td>
<td>$490</td>
</tr>
<tr>
<td>Net gains on disposal of property, plant and equipment</td>
<td>$3</td>
<td></td>
</tr>
<tr>
<td>Change in assets/liabilities (net of cash transfers)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>$2,101</td>
<td>$2,075</td>
</tr>
</tbody>
</table>

CF-2  Changes in Liabilities Arising from Financing Activities

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>$613,360</td>
<td>$648,959</td>
</tr>
<tr>
<td>Borrowings</td>
<td>$48,936</td>
<td>$61,360</td>
</tr>
<tr>
<td>Leases</td>
<td>$73,467</td>
<td>$72,322</td>
</tr>
<tr>
<td>Non-cash changes</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Further details on leases and borrowings is provided in Note C6.
1.4.1 ABOUT THE DEPARTMENT AND THIS FINANCIAL REPORT

SECTION 1

A1 BASIS OF FINANCIAL STATEMENT PREPARATION

A1-1 GENERAL INFORMATION

Public Service Act 2008 and controlled by the State of Queensland, which is the ultimate parent. The head office and principal place of business of the department is:

Education House
30 Mary Street
Brisbane QLD 4000

A1-2 COMPLIANCE WITH PRESCRIBED REQUIREMENTS

The department has prepared these financial statements in compliance with section 42 of the Financial and Performance Management Standard 2009 beginning on or after 1 July 2017.

These financial statements are prepared in accordance with Australian Accounting Standards and Interpretations and the objectives of financial reporting periods

A1-3 PRESENTATION

Currency and Rounding

Amounts included in the financial statements are in Australian dollars and rounded to the nearest $1,000 or, where that amount is $500 or less, to zero, unless disclosure of the full amount is specifically required. Sub-totals and totals may not add due to rounding, but the overall discrepancy is not greater than $2,000.

Comparatives

Comparative information reflects the audited 2016-17 financial statements.

Current and Non-current Classification

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

A1-4 AUTHORIZATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements are authorised for issue by the Director-General and Chief Finance Officer at the date of signing the Management Certificate.

The financial statements are authorised for issue by the Director-General and Chief Finance Officer at the date of signing the Management Certificate.

1.4.2 COMPLIANCE WITH PRESCRIBED REQUIREMENTS

Education House
30 Mary Street
Brisbane QLD 4000

The department is a Queensland Government department established under the Public Service Act 2008 and controlled by the State of Queensland, which is the ultimate parent.

The Department of Education (the department) is a Queensland Government department established under the Public Service Act 2008 and controlled by the State of Queensland, which is the ultimate parent.

The Department of Education

A1-1 GENERAL INFORMATION

A4 BASIS OF FINANCIAL STATEMENT PREPARATION
Notes to the Financial Statements
for the year ended 30 June 2018

A1 BASIS OF FINANCIAL STATEMENT PREPARATION (continued)

A1-5 BASIS OF MEASUREMENT

Historical cost is used as the measurement basis in this financial report except for the following:
• Land, buildings, infrastructure, heritage and cultural assets which are measured at fair value; and
• Inventories, which are measured at the lower of cost and net realisable value.

Historical Cost

Under historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction at arm’s length between market participants at the measurement date. Fair value is determined using one of the following three approaches:

1. The market approach uses the price (or value) that would be received to sell an asset or paid to transfer a liability in an orderly transaction at arm’s length between market participants at the measurement date.
2. The cost approach measures the asset at the amount that would be required currently to replace the service capacity of an asset (i.e. the replacement cost).
3. The income approach converts future cash flows into a single current value (i.e. the discounted present value).

Where fair value is used, the fair value approach is disclosed.

Present Value

Present value represents the present discounted value of the future net cash inflows that the item is expected to generate, and is determined using the income approach, where applicable.

Net Realisable Value

Net realisable value represents the amount of cash or cash equivalents that could currently be obtained by selling an asset in ordinary business.

THE REPORTING ENTITY

The parent entity financial statements include all income, expenses, assets, liabilities and equity of the department.
A2 DEPARTMENTAL OBJECTIVES

The Department of Education is making Queensland a great place to study, live and work in the future by giving all children a great start, engaging young people in learning and creating safe, fair and productive workplaces and communities.

This contributes to:

- Create jobs in a strong economy - supporting young Queenslanders to engage in education, training or work
- Give all our children a great start - developing and implementing a whole-of-government Early Years Plan to support Queensland children's early learning and development
- Keep Queenslanders healthy - enhancing student wellbeing by promoting resilience and educating students about respectful relationships
- Keep communities safe - continuing to meet the diverse needs of Queensland workplaces and communities through legislative compliance, enforcement, education and engagement activities across the state.

The department is funded for the departmental services it delivers principally by parliamentary appropriations.

A key focus of the department in contributing to these objectives is the shared responsibility, across service delivery areas, for the creation of connected and accessible pathways for children, young people and students.

Supporting this commitment of working together to lift learning and skilling outcomes are the strategic outcomes for each service delivery area.

- Early childhood education
- School education
- Office of Industrial Relations
- Office of the Mackay Regional Council

A3 MACHINERY-OF-GOVERNMENT CHANGES

Transfers In

Controlled Activities

Details of Transfer: Non-reciprocal transfer of the Tranby Active Recreation Centre from the former Department of National Parks, Sport and Racing to the Department of Education.

Basis of Transfer: Ministerial approval dated 27 October 2017

Date of Transfer: 1 November 2017

Property, plant and equipment assets valued at $5.315 million were transferred and have been accounted for as an increase in contributed equity as disclosed in the Statement of Changes in Equity.

No budgeted appropriation revenue was reallocated from the former Department of National Parks, Sport and Racing to the Department of Education as part of the machinery-of-Government changes.

Details of Transfer: Office of Industrial Relations transferred from Queensland Treasury to the Department of Education.

Basis of Transfer: The Public Service Departmental Arrangements Notice (No. 3) dated 12 December 2017

Date of Transfer: 1 January 2018

The Public Service Departmental Arrangements Notice (No. 3) dated 12 December 2017 provided for machinery-of-Government changes.

In the transfer of controlled activities, the Department of Education was responsible for the former Department of National Parks, Sport and Racing to the Department of Education.

The Department of Education is making Queensland a great place to study, live and work in the future by giving all children a great start, engaging young people in learning and creating safe, fair and productive workplaces and communities.

The department is funded for the departmental services it delivers principally by parliamentary appropriations.
A3 MACHINE-OF-GOVERNMENT CHANGES (Continued)

The assets and liabilities transferred as a result of this change were as follows:

### Net Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 Payables (trade creditors)</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

### Liabilities

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>36 Property, Plant and Equipment</td>
<td>$0.00</td>
</tr>
<tr>
<td>3 Other Current Liabilities</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

### Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Cash</td>
<td>$0.00</td>
</tr>
<tr>
<td>1 Other Current Assets</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

The assets and liabilities transferred as a result of this change were as follows:

The increase in assets of $10.600 million has been accounted for as an increase in contributed equity as disclosed in the Statement of Changes in Equity.

Budgeted appropriation revenue of $14.010 million (controlled) was reallocated from the Queensland Treasury to the Department of Education as part of the machinery-of-Government changes.

### Details of Transfer: Non-reciprocal transfer of Holland Park Oral Health facility from the Metro South Hospital and Health Service, to the Department of Education.

- **Basis of Transfer:** Ministerial approval dated 20 March 2018
- **Date of Transfer:** 1 April 2018
- **Building assets valued at $0.682 million were transferred and have been accounted for as an increase in contributed equity as disclosed in the Statement of Changes in Equity.

No budgeted appropriation revenue was reallocated from the Queensland Treasury to the Department of Education as part of the machinery-of-Government changes.

### Transfer in Administered Activities

The assets and liabilities transferred as a result of this change were as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 Payables (trade creditors)</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

### Liabilities

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>36 Property, Plant and Equipment</td>
<td>$0.00</td>
</tr>
<tr>
<td>3 Other Current Liabilities</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

### Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Cash</td>
<td>$0.00</td>
</tr>
<tr>
<td>1 Other Current Assets</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

The assets and liabilities transferred as a result of this change were as follows:

The increase in assets of $10.600 million has been accounted for as an increase in contributed equity as disclosed in the Statement of Changes in Equity.

Budgeted appropriation revenue of $14.010 million (controlled) was reallocated from the Queensland Treasury to the Department of Education as part of the machinery-of-Government changes.

### Details of Transfer: Office of Industrial Relations transferred from Queensland Treasury to the Department of Education.

- **Basis of Transfer:** The Public Service Departmental Arrangements Notice (No.3) dated 12 December 2017
- **Date of Transfer:** 1 January 2018
- **Building assets valued at $0.682 million were transferred and have been accounted for as an increase in contributed equity as disclosed in the Statement of Changes in Equity.

No budgeted appropriation revenue was reallocated from the Department of Health to the Department of Education as part of the machinery-of-Government changes.
A3 MACHINERY-OF-GOVERNMENT CHANGES (Continued)

Transfers Out

Controlled Activities

Details of Transfers:
Training and Skills from Department of Education to the Department of Employment, Small Business and Training.

Basis of Transfer:
The Public Service Departmental Arrangements Notice (No. 3) dated 12 December 2017

Date of Transfer: 1 January 2018

The assets and liabilities transferred as a result of this change were as follows:

Date of Transfer: 1 January 2018

Basis of Transfer: The Public Service Departmental Arrangements Notice (No. 3) dated 12 December 2017

Training and Skills from Department of Education to the Department of Employment, Small Business and Training

A4 CONTROLLED ENTITIES

The following entities are controlled entities of the Department:

44 Department of Education

100% Member of Company's Consolidated Group by Minister for Education and the Department of Employment, Small Business and Training.

Budgeted Appropriation Revenue of $569.145 million (controlled) was reallocated from the Department of Education to the Department of Employment, Small Business and Training.

The decrease in assets of $1,275.801 million has been accounted for as a decrease in contributed equity as disclosed in the Statement of Changes in Equity.

<table>
<thead>
<tr>
<th>Net Assets</th>
<th>1 275 801</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property, Plant and Equipment</td>
<td>2 470</td>
</tr>
<tr>
<td>Inventories</td>
<td>1 465</td>
</tr>
<tr>
<td>Other Current Assets</td>
<td>1 396</td>
</tr>
<tr>
<td>Prepayments (trade creditors)</td>
<td>488</td>
</tr>
<tr>
<td>Cash</td>
<td>115</td>
</tr>
<tr>
<td>Total Assets</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

Financial Information:

Directly Controlled

Name: Queensland Education Leadership Institute

Purpose and Principal Activities: Provide a range of professional learning services to school leaders.

% Interest in Entity: 100%

The following information is included for the controlled entities:

Queensland Education Leadership Institute

<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Result: $0.672 million (2017: $0.212 million)</td>
<td></td>
</tr>
</tbody>
</table>

(Unaudited amounts for financial year 2018 are provided. Comparative amounts for financial year 2017 are final audited figures.)

Notes to the Financial Statements

Department of Education
A4.1 DISCLOSURE ABOUT NON WHOLLY-OWNED CONTROLLED ENTITIES

The department has no indirectly controlled entities.

Indirectly Controlled

<table>
<thead>
<tr>
<th></th>
<th>Total Operating Result</th>
<th>Total Revenue</th>
</tr>
</thead>
</table>

The Queensland Music Examinations Board - Queensland Advisory Committee provides a graded system of examinations in music, speech and drama by offering high quality syllabuses, educative services and publications. The Australian Music Examinations Board (AMEB) was constituted by agreement between the Minister for Education of the states of Queensland, New South Wales and Tasmania and the Universities of Melbourne, Adelaide and Western Australia. The AMEB exists to provide a graded system of examinations in music, speech and drama by offering high quality syllabuses, educative services and publications. The Queensland Advisory Committee provides a graded system of examinations in music, speech and drama by offering high quality syllabuses, educative services and publications. The AMEB is selected by the Minister for Education with changes and recommendations provided by the Queensland Advisory Committee. The Committee is selected by the Minister for Education with changes and recommendations provided by the Queensland Advisory Committee. The Committee is selected by the Minister for Education with changes and recommendations provided by the Queensland Advisory Committee.
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

SECTION 2
NOTES ABOUT OUR FINANCIAL PERFORMANCE

B1 REVENUE

B1-1 APPROPRIATION REVENUE

Reconciliation of Payments from Consolidated Fund to Appropriated Revenue Recognised in Operating Result

<table>
<thead>
<tr>
<th>Accounting Policy</th>
<th>Total</th>
<th>Service delivery</th>
<th>Goods and services</th>
<th>Property income</th>
<th>Other fees and commissions</th>
<th>Rebates</th>
<th>General fees</th>
<th>Student fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriation Revenue</td>
<td>8 698</td>
<td>60 693</td>
<td>8 526</td>
<td>99</td>
<td>(8)</td>
<td>(2)</td>
<td>276 225</td>
<td>43 697</td>
</tr>
<tr>
<td></td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>2017</td>
<td></td>
</tr>
</tbody>
</table>

B1-2 USER CHARGES AND FEES

Appropriations provided under the Appropriation Act 2017 are recognised as revenue when received

Appropriation Policy - Appropriation Revenue

Comprehensive Income

Appropriation Revenue Recognised in Statement of Appropriation Revenue

Net Appropriation Revenue

- Appropriation Revenue receivable from Consolidated Fund (expenditure)

- 14 500

- 7 780 098

Total Appropriation Receivables (cash)

- Less: Opening balance of Appropriation Revenue receivable

- 7 780 75

- (106 515)

- (28 660)

- (669 402)

- (9 517 394)

B1-1 Appropriation Revenue

Revenue Recognised in Operating Result - Reconciliation of Payments from Consolidated Fund to Appropriation Revenue

Revenue from Appropriation Income

B1 REVENUE

NOTES ABOUT OUR FINANCIAL PERFORMANCE
**B1 REVENUE (continued)**

**B1-3 GRANTS AND CONTRIBUTIONS**

**Accounting Policy**

**Grants, Contributions and Donations**

Grants, contributions and donations are generally non-reciprocal in nature so do not require any goods or services to be provided in return. Corresponding revenue is recognised in the year in which the department agrees the contract, generally at the time of receipt.

**Disclosure about Donations**

Donations of physical assets with a value of $10,000 or more for buildings and $5,000 or more for plant and equipment are recorded in the department’s Fixed Asset Register.

---

**B2 EXPENSES**

**B2-1 EMPLOYEE EXPENSES**

---

**B4-3 GRANTS AND CONTRIBUTIONS (continued)**

---

**Total**

<table>
<thead>
<tr>
<th>$000</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>384</td>
<td></td>
</tr>
</tbody>
</table>
Notes to the Financial Statements
for the year ended 30 June 2018

B2 EXPENSES (continued)

B2-1 EMPLOYEE EXPENSES (continued)

The number of employees as at 30 June, including both full-time employees and part-time employees measured on a full-time equivalent basis, is as follows:

\[ \begin{array}{c|c|c}
\text{Year} & \text{Full-time Equivalent Employees} \\
\hline
2017 & 6935 \\
2018 & 72341 \\
\end{array} \]

Accounting Policy – Wages and Salaries

Full-time Equivalent Employees

No. 2018

Key management personnel and remuneration disclosures are detailed in Note G1.

In this note, employees are distinguished from non-employees and from employee-related expenses. 

Information relating to the remuneration of all employees, that is not contained in employees’ total remuneration packages, is as follows:

For the year ended 30 June 2018

Department of Education
B2 EXPENSES (continued)

B2-2 SUPPLIES AND SERVICES

Accounting Policy

Distinction between Grants and Procurement

For a transaction to be classified as supplies and services, the value of the goods or services received by the department must be of approximately equal value to the consideration exchanged for those goods or services. If this is not the case, the transaction is classified as a grant in Note B2-3.

Accounting Policy

Operating Lease Rentals

Operating lease payments are representative of the pattern of benefits derived from the leased assets. Lease payments are recognised as a liability. Lease payments are allocated between rental expense and reduction of the liability. Lease payments are subject to inflation escalation clauses on which contingent rentals are determined.

Disclosure – Operating Lease

Operating leases are entered into as a means of obtaining access to office accommodation. Lease terms extend over a period of 1 to 15 years. There is no option to purchase the leased assets although the lease provides for a right of renewal at which time the lease terms are renewed.

Operating leases are entered into as a means of obtaining access to office accommodation. Lease terms extend over a period of 1 to 15 years. There is no option to purchase the leased assets although the lease provides for a right of renewal at which time the lease terms are renewed.

B2-3 GRANTS AND SUBSIDIES

Accounting Policy – Operating Lease Rentals

For a transaction to be classified as a grant in Note B2-3, the arrangement must be one in which the department is required to provide goods or services. Where this is not the case, the transaction is classified as a service provided.

Disclosure – Operating Lease

Operating leases are entered into as a means of obtaining access to office accommodation. Lease terms extend over a period of 1 to 15 years. There is no option to purchase the leased assets although the lease provides for a right of renewal at which time the lease terms are renewed.

Disclosure – Operating Lease

Operating leases are entered into as a means of obtaining access to office accommodation. Lease terms extend over a period of 1 to 15 years. There is no option to purchase the leased assets although the lease provides for a right of renewal at which time the lease terms are renewed.

Total

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants to external organisations</td>
<td>$0.00</td>
</tr>
<tr>
<td>Capital grants to external organisations</td>
<td>0.00</td>
</tr>
<tr>
<td>Training and related services</td>
<td>536,730</td>
</tr>
<tr>
<td>Grants and allowances to external organisations</td>
<td>392,056</td>
</tr>
<tr>
<td>Recurrent</td>
<td>243,776</td>
</tr>
<tr>
<td>Total</td>
<td>$5,000,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants to external organisations</td>
<td>$0.00</td>
</tr>
<tr>
<td>Capital grants to external organisations</td>
<td>0.00</td>
</tr>
<tr>
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</tr>
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</tr>
<tr>
<td>Recurrent</td>
<td>243,776</td>
</tr>
<tr>
<td>Total</td>
<td>$5,000,000</td>
</tr>
</tbody>
</table>

Notes to the Financial Statements

Department of Education

For the year ended 30 June 2018
(1) Audit Fees

Other EXPENSES (continued)

B2 EXPENSES (continued)

B2-4 OTHER EXPENSES

(1) Audit Fees

Reconciliation of OCI of the revaluation of the claims, revenue will be recognized for the agreed settlement amount and regarded as

 Certain losses of public property are insured with the Queensland Government Insurance Fund (QGF). The claims made in respect of

(2) Special Payments

Payments to other Government Departments are related to School Transport arrangements with Department of Transport and Main Roads.

(3) Payments to other Government Departments

Legal costs in relation to claims under the Workers’ Compensation and Rehabilitation Act 2003.

Legal court awarded costs paid by the department to a child care centre.

Special payments represent ex gratia expenditure and other expenditure that the department is not contractually or legislatively obliged to

make to other parties. Special payments during 2017-18 include the following payments over $5,000:

Special Payments - General are estimated to be $0.774 million (2016-17: $0.790 million). There are no non-audit services included in this amount.

The total external audit fees relating to the 2017-18 financial year are estimated to be $0.774 million (2016-17: $0.790 million). There are no non-audit services included in this amount.

<table>
<thead>
<tr>
<th>Total</th>
<th>Other EXPENSES</th>
<th>B2 EXPENSES (continued)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(1) Audit Fees</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$000</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>821</td>
<td></td>
</tr>
</tbody>
</table>
SECTION 3

NOTES ABOUT OUR FINANCIAL POSITION

C1 CASH AND CASH EQUIVALENTS

Accounting Policy

Cash and Cash Equivalents

For the purposes of the Statement of Financial Position, cash and cash equivalents includes cash on hand, cash at bank, and cash at central office bank accounts. Cash and cash equivalents includes cash on hand, cash at bank, and cash at central office bank accounts which are used in the day-to-day management of the department.

The Queensland Treasury Corporation and the whole-of-government set-off arrangement with the departmental bank accounts (excluding school bank accounts) are grouped within the whole-of-government set-off arrangement with the Queensland Treasury Corporation. The cash management function of the department, which is managed by the Queensland Treasury Corporation, does not form part of the department's cash management function.

Other debtors are recognised at the amount of the consideration due to be received in the future (the face value of service delivery) less the related purchase/contract price. Other debtors are measured at amortised cost which approximates their net value at reporting date.

<table>
<thead>
<tr>
<th>CASH AND CASH EQUIVALENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
</tr>
<tr>
<td>Cash at bank</td>
</tr>
<tr>
<td>Cash on hand</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>$000</td>
<td>$000</td>
</tr>
<tr>
<td>184</td>
<td>184</td>
</tr>
<tr>
<td>65</td>
<td>65</td>
</tr>
<tr>
<td>277</td>
<td>277</td>
</tr>
<tr>
<td>404</td>
<td>404</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>RECEIVABLES</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee claims receivable</td>
<td>$749,503</td>
</tr>
<tr>
<td>GST receivable</td>
<td>$223,827</td>
</tr>
<tr>
<td>GST payable</td>
<td>$114,671</td>
</tr>
<tr>
<td>Loans and advances</td>
<td>$127,844</td>
</tr>
<tr>
<td></td>
<td>$1,504,844</td>
</tr>
</tbody>
</table>

Less: Allowance for impairment loss

Depreciation of an operational nature

Current

<table>
<thead>
<tr>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>$000</td>
<td>$000</td>
</tr>
<tr>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>23,369</td>
<td>23,369</td>
</tr>
<tr>
<td>24,992</td>
<td>24,992</td>
</tr>
<tr>
<td>996,699</td>
<td>996,699</td>
</tr>
<tr>
<td>1,025,144</td>
<td>1,025,144</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>RECEIVABLES</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Other</th>
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</tr>
</thead>
<tbody>
<tr>
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<tr>
<td></td>
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</tbody>
</table>

Less: Allowance for impairment loss

Depreciation of an operational nature

Current

<table>
<thead>
<tr>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>$000</td>
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<tr>
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</tr>
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<td>24,992</td>
</tr>
<tr>
<td>996,699</td>
<td>996,699</td>
</tr>
<tr>
<td>1,025,144</td>
<td>1,025,144</td>
</tr>
</tbody>
</table>

Notes to the Financial Statements for the year ended 30 June 2018

Department of Education

For the year ended 30 June 2018
Disclosures - Movement in Allowance for Impairment of Impaired Receivables

<table>
<thead>
<tr>
<th></th>
<th>30/6/2018</th>
<th>30/6/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>$000</td>
<td>$000</td>
<td>$000</td>
</tr>
<tr>
<td>Z / (9)</td>
<td>(6 / 715)</td>
<td>(6 / 715)</td>
</tr>
<tr>
<td>7 / 313</td>
<td>2 / 035</td>
<td>2 / 035</td>
</tr>
<tr>
<td>30 / 267</td>
<td>36 / 493</td>
<td>36 / 493</td>
</tr>
</tbody>
</table>

Receivables balance as at 30 June 2017 was $2.035 million. This is a decrease of $5.28 million from 2017, and is mainly due to transfer of receivables as part of machinery of government changes.

Impairment loss expenses for the current year regarding the department’s receivables is $2.035 million. This is a decrease of $5.28 million from 2017, and is mainly due to transfer of receivables as part of machinery of government changes.

Credit risk management strategies are detailed in Note D2.

All credit risk management strategies are detailed in Note D2.

Disclosures - Credit Risk Exposure of Receivables (continued)

C2 - RECEIVABLES (continued)

Note to the Financial Statements
### Property, Plant, Equipment and Depreciation Expense

<table>
<thead>
<tr>
<th>Year</th>
<th>FMV</th>
<th>Depreciation</th>
<th>Accumulated Depreciation</th>
<th>Carrying Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>1000</td>
<td>200</td>
<td>800</td>
<td>200</td>
</tr>
<tr>
<td>2019</td>
<td>800</td>
<td>160</td>
<td>640</td>
<td>160</td>
</tr>
<tr>
<td>2020</td>
<td>640</td>
<td>128</td>
<td>512</td>
<td>128</td>
</tr>
</tbody>
</table>

Certifying statement at 30 June 2020:

The information presented above is in accordance with Accounting Standards. The carrying amount of property, plant, equipment and intangible assets have been determined in accordance with Attachment 14, "PPE and Intangibles."
## C3 PROPERTY, PLANT, EQUIPMENT AND DEPRECIATION EXPENSE (continued)

### C3-1 CLOSING BALANCES AND RECONCILIATION OF CARRYING AMOUNT (continued)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Plant and equipment</td>
<td>9,486,964</td>
<td>9,486,964</td>
<td>9,486,964</td>
<td>9,486,964</td>
<td>9,486,964</td>
<td>9,486,964</td>
<td>9,486,964</td>
<td>9,486,964</td>
</tr>
<tr>
<td>Land, buildings, infrastructure and leased assets</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>9,486,964</td>
<td>9,486,964</td>
<td>9,486,964</td>
<td>9,486,964</td>
<td>9,486,964</td>
<td>9,486,964</td>
<td>9,486,964</td>
<td>9,486,964</td>
</tr>
</tbody>
</table>

*Note: The above table shows the reconciliation of the carrying amount of property, plant, and equipment as of 30 June 2019.*

---

**Notes to the Financial Statements**

For the year ended 30 June 2018

Department of Education
C3 PROPERTY, PLANT, EQUIPMENT AND DEPRECIATION EXPENSE (continued)

C3-2 RECOGNITION AND ACQUISITION

Accounting Policy

Recognition

Basis of Capitalisation and Recognition Thresholds

Items of property, plant and equipment with a cost or other value equal to or in excess of the following thresholds are recognised as Property, Plant and Equipment in the following classes:

- Buildings: $10,000
- Heritage and cultural buildings: $10,000
- Leased assets (buildings constructed by Public Private Partnership): $10,000
- Land: $1
- Other (including heritage and cultural assets other than buildings): $5,000
- Plant and equipment: $5,000

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

Expenditure on property, plant and equipment is capitalised where it is probable that the expenditure will produce future service potential or useful life of that asset. Maintenance expenditure that merely restores original service potential (lost through ordinary wear and tear) is expensed.

Componentisation of Complex Assets

Expenditure on property, plant and equipment for the entire financial year and TAFE buildings for the period to 1 January 2018.

Complex assets comprise separately identifiable components of significant value that require replacement at regular intervals and at different times to other components of the complex asset. On initial recognition, the asset recognition thresholds outlined above apply to the complex asset as a single item. Where the complex asset qualifies for recognition, components are separately recorded when their value is significant relative to the total cost of the complex asset.

When a separately identifiable component of significant value is replaced, the existing component is derecognised. The replacement component is capitalised when it is probable that future economic benefits from the significant component will flow to the department in conjunction with the other components comprising the complex asset and the cost exceeds the asset recognition thresholds specified above. Replacement components that do not meet the asset recognition thresholds for capitalisation are expensed.

Components are separately recorded and valued on the same basis as the asset class to which they relate. The accounting policy for depreciation of complex assets and estimated useful lives is disclosed in Note C3-5.

Accounting Policy

Cost of Acquisition

Historical cost is used for the initial recording of all non-current physical asset acquisitions. Historical cost is determined as the value given as consideration and costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use.

Where assets are received free of charge from another Queensland Government department (whether as a result of a machinery-of-Government change or other involuntary transfer), the acquisition cost is recognised as the gross carrying amount in the books of the other entity immediately prior to the transfer together with any accumulated depreciation.

Assets acquired at no cost or for nominal consideration, other than from an involuntary transfer from another Queensland Government entity, are recognised as assets and revenues at their fair value at the date of acquisition.

Where an asset is acquired by means of a finance lease, the asset is recognised at the lower of the fair value of the leased property and the present value of the minimum lease payments. The lease liability is recognised at the same amount.

C3-3 MEASUREMENT USING HISTORICAL COST

Accounting Policy

Plant and equipment is measured at cost in accordance with Queensland Treasury’s ‘Accounting Framework for the Government Sector’. The carrying amounts of plant and equipment are not materially different from their fair value.

C3-4 MEASUREMENT USING FAIR VALUE

Accounting Policy

Land, buildings (including residential buildings and land improvements such as sports facilities), heritage and cultural assets, and leased assets (including buildings constructed by Public Private Partnerships) are measured at fair value at the date of valuation, less any subsequent accumulated depreciation.
C3 PROPERTY, PLANT, EQUIPMENT AND DEPRECIATION EXPENSE (continued)

C3-4 MEASUREMENT USING FAIR VALUE (continued)

Accounting Policy (continued)

The cost of assets acquired during the financial year has been judged by management to materially represent their fair value at the end of the reporting period.

Leased assets built privately (Public Private Partnership (PPP) building assets) are tendered out and the fair value is calculated based on construction of the assets in a private market.

Assets under a finance lease are revalued on the same basis as the assets in the class to which they would have belonged had they not been under a finance lease.

Fair value for land is determined by establishing its market value by reference to observable prices in an active market or recent market transactions. The fair value of buildings and heritage and cultural assets is determined by calculating the current replacement cost of the asset.

Use of Specific Appraisals

Land, buildings, heritage and cultural assets are revalued by management each year to ensure that they are reported at fair value. Management valuations incorporate the results from the independent revaluation program, and the indexation of the assets not subject to independent revaluation each year.

The fair values reported by the department are based on appropriate valuation techniques that maximise the use of available and relevant observable inputs and minimise the use of unobservable inputs.

Use of Indices

Where assets have not been specifically appraised in the reporting period, their previous valuations are materially kept up-to-date via the application of relevant indices. The department ensures that the application of these indices results in a valid estimation of the asset's fair value.

The State Valuation Service (SVS) supplies the indices used for various types of assets. These indices are derived from market information available to SVS. SVS provides assurance of their robustness, validity and appropriateness for application to the relevant assets. These indices of trend inflation are converted to the rates of the individual revaluation outcomes to arrive at the appropriate adjustment factor.

The results of interim indexations are compared to the results of the independent revaluation performed in the year to ensure the results are consistent. The department ensures that the application of these indices results in a valid estimation of the asset's fair value.

Any revaluation increment arising on the revaluation of an asset is credited to the revaluation surplus of the appropriate asset class. A decrease in the carrying amount on revaluation is charged to the extent it exceeds the balance, if any, in the revaluation surplus relating to that asset class.

On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any other amount on revaluation is treated as an expense to the extent it exceeds the decrease in the carrying amount of the asset. Any increase in the carrying amount of the asset is credited to the revaluation surplus of the appropriate asset class.
C3 PROPERTY, PLANT, EQUIPMENT AND DEPRECIATION EXPENSE (continued)

### DEPRECIATION EXPENSE

#### Accounting Policy

- **Land** is not depreciated as it has an unlimited useful life.
- **Buildings, heritage and cultural, leased assets and plant and equipment** are depreciated on a straight-line basis so as to allocate the net cost or revalued amount of each asset, less its estimated residual value, progressively over its estimated useful life to the department.

**Key Judgement:** The estimated useful lives of the assets are reviewed annually and, where necessary, are adjusted to better reflect the future service potential of the asset. Factors such as asset usage and the rate of technical and commercial obsolescence are considered.

- **Useful lives for the assets included in the revaluation are amended progressively as the assets are inspected by the valuers.**
- **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.**

<table>
<thead>
<tr>
<th>Class</th>
<th>Current Useful Life (Years)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Buildings - Permanent buildings, sheds and covered areas</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Buildings - Farm and rural</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Buildings - Fabrics</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Commercial equipment</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Office equipment</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Computer equipment</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Operational - Fixed assets and other non-current assets</strong></td>
<td>15 - 80</td>
</tr>
<tr>
<td><strong>Operational - Property, plant, and equipment</strong></td>
<td>5 - 100</td>
</tr>
<tr>
<td><strong>Operational - Leasehold land</strong></td>
<td>5 - 100</td>
</tr>
</tbody>
</table>

### Depreciation Rates

#### Key Estimates:

For each class of depreciable assets, the depreciation rates are based on the following useful lives:

- **Leased assets - Herd replacements to leased amenities to leased administrative buildings**

---

For the year ended 30 June 2018

Notes to the Financial Statements
Department of Education
C3-6 IMPAIRMENT

Accounting Policy

Reversal of Impairment Losses

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount. The carrying amount of the asset is increased to the revised estimate of its recoverable amount. The impairment loss is recognised immediately in the Statement of Comprehensive Income, except for land and buildings where any reversal of an impairment loss would be offset against the asset revaluation reserve surplus of the relevant class.

All non-current physical assets are assessed for indicators of impairment on an annual basis. If no indicators of possible impairment exist, the department determines the asset’s recoverable amount. The assets recoverable amount is determined as the higher of the asset’s fair value less costs to sell and current replacement cost. An impairment loss is recognised immediately in the Statement of Comprehensive Income, except for land and buildings where any reversal of an impairment loss would be offset against the asset revaluation reserve surplus of the relevant class.

Accounting Policy

Impairment

C3 PROPERTY, PLANT, EQUIPMENT AND DEPRECIATION EXPENSE (continued)
C4 INTANGIBLES AND AMORTISATION EXPENSE

C4-1 CLOSING BALANCES

<table>
<thead>
<tr>
<th>Class</th>
<th>Current Useful Life (Years)</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 - 25</td>
<td></td>
<td>1289</td>
<td>1256</td>
</tr>
<tr>
<td>7 - 10</td>
<td></td>
<td>12 60</td>
<td>12 50</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Class</th>
<th>Key Estimate: For each class of intangible asset the following amortisation rates are used.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intangible assets in use</td>
<td>5% per annum</td>
</tr>
<tr>
<td>Intangible assets in development</td>
<td>100% per annum</td>
</tr>
</tbody>
</table>

C4-2 RECOGNITION AND MEASUREMENT

C4-2-1 Total Intangible Assets - net book value

<table>
<thead>
<tr>
<th>Class</th>
<th>Al cost</th>
<th>Sold or written off in progress</th>
<th>Other intangible assets</th>
<th>Sold or written off in progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intangible assets in use</td>
<td>37 589</td>
<td>1 375</td>
<td>265</td>
<td>37 547</td>
</tr>
<tr>
<td>Intangible assets in development</td>
<td>5 660</td>
<td>1 256</td>
<td>1 256</td>
<td>5 660</td>
</tr>
<tr>
<td>Intangible assets in development</td>
<td>3 471</td>
<td>1 2 894</td>
<td>3 471</td>
<td>1 2 894</td>
</tr>
<tr>
<td>Intangible assets in development</td>
<td>2 622</td>
<td>1 2 699</td>
<td>2 622</td>
<td>1 2 699</td>
</tr>
<tr>
<td>Intangible assets in development</td>
<td>1 123</td>
<td>1 123</td>
<td>1 123</td>
<td>1 123</td>
</tr>
<tr>
<td>Intangible assets in development</td>
<td>6 183</td>
<td>6 183</td>
<td>6 183</td>
<td>6 183</td>
</tr>
<tr>
<td>Total Intangible Assets - net book value</td>
<td>5 000</td>
<td>2 018</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>2016</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### C5 PAYABLES

#### Accounting Policy - Payables

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.

### C6 INTEREST-BEARING LIABILITIES

#### Accounting Policy - Borrowings

Borrowings are initially recognised at fair value, plus any transaction costs directly attributable to the borrowings. The fair value of borrowings is calculated using discounted cash flow models and the effective interest rate is calculated based on the proceeds set out in the borrowings section. Borrowings are split between current and non-current liabilities using the proceeds set out in the borrowings section in which they are not settled in the period in which they arise. Any borrowing costs are added to the carrying amount of the borrowing to the extent they are not settled in the period in which they arise.

The department does not enter into speculative or hedging transactions or transactions for speculative purposes. No financial liabilities are measured at fair value through profit or loss.

### Interest-Bearing Liabilities

<table>
<thead>
<tr>
<th>Non-Current</th>
<th>Current</th>
</tr>
</thead>
<tbody>
<tr>
<td>11 648</td>
<td>3 322</td>
</tr>
<tr>
<td>3 566</td>
<td>8 192</td>
</tr>
</tbody>
</table>

| 2017 | 2018 |
| 3 000 | 2 000 |

### C5 PAYABLES

#### Other

<table>
<thead>
<tr>
<th>Trade Creditors</th>
<th>Pre and Other Taxes</th>
<th>Capital Leases</th>
<th>Current</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 462</td>
<td>317</td>
<td>68 499</td>
<td>2017</td>
</tr>
<tr>
<td>2 339 971</td>
<td>5 711</td>
<td>69 792</td>
<td>2018</td>
</tr>
<tr>
<td>100 132</td>
<td>96 949</td>
<td>96 949</td>
<td>2017</td>
</tr>
<tr>
<td>13 041</td>
<td>31 462</td>
<td>13 041</td>
<td>2018</td>
</tr>
<tr>
<td>$ 000</td>
<td>$ 000</td>
<td>$ 000</td>
<td>2017</td>
</tr>
<tr>
<td>2018</td>
<td>2017</td>
<td>2018</td>
<td>2017</td>
</tr>
</tbody>
</table>
### C6-1 INTEREST-BEARING LIABILITIES (continued)

#### C6-1.1 BORROWINGS

**Terms and Conditions**

All borrowings by the department are from the Queensland Treasury Corporation (QTC). The maturity profile is disclosed in Note D2-4.

All borrowings are in $A denominated amounts and no interest has been capitalised during the current reporting period. There have been no defaults or breaches of the loan agreement during the 2018 or 2017 financial years. No assets have been pledged as security.

**Interest Rates**

The interest rate on borrowings is 5.79% (2016-17: 5.79%).

As it is the intention of the department to hold its borrowings for their full term, no fair value adjustment is made to the carrying amount of the borrowings.

**Undrawn Facilities**

On 14 January 2013, an overdraft facility with the Queensland Treasury Corporation was approved on the account. This facility is limited to $250 million and remains in effect permanently. This facility remained fully undrawn at 30 June 2018 and is available for use in the next reporting period. The current overdraft interest rate is 5.00% (2016-17: 5.00%).

#### C6-2 FINANCE LEASE LIABILITY AND COMMITMENTS

**Finance Lease Terms and Conditions**

The majority of finance leases relate to the Public Private Partnership (PPP) Infrastructure Agreement Projects - South East Queensland and South Australian Schools - Primary. Refer to Note G3 for details.

**Interest Rates**

Interest on finance leases is recognised as an expense as it accrues. No interest has been capitalised during the current or comparative reporting period.

The implicit interest rate for finance leases range from 2.87% to 15.84% (2016-17: 2.87% to 15.84%).

**Security**

Lease liabilities are effectively secured as the right to the leased assets reverts to the lessor in the event of default.

### C6-3 DISCLOSURE ABOUT SENSITIVITY TO INTEREST RATE MOVEMENTS

#### Table: Disclosure of Sensitive Borrowing Movements

<table>
<thead>
<tr>
<th>Year</th>
<th>$000</th>
<th>$000</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>2018</td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>

For the year ended 30 June 2018

Notes to the Financial Statements

Department of Education
C7 ACCRUED EMPLOYEE BENEFITS

### Accounting Policy
- **Accrued Employee Benefits**
  - No provision for annual leave or long service leave is recognised in the Department's financial statements as the liability is held on a whole-of-government basis and reported in those financial statements pursuant to AASB 109 Whole of Government and General Government Sector Financial Reporting.

### PROVISIONS C8

#### Training Services - Current

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>34 730</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>34 730</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

#### PROVISIONS C8

#### Accrued Employee Benefits

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>-</td>
<td>543</td>
<td>543</td>
</tr>
<tr>
<td>1</td>
<td>244</td>
<td>244</td>
</tr>
<tr>
<td>13 378</td>
<td>120 085</td>
<td>120 085</td>
</tr>
<tr>
<td>27 871</td>
<td>29 826</td>
<td>29 826</td>
</tr>
<tr>
<td>59 050</td>
<td>54 961</td>
<td>54 961</td>
</tr>
<tr>
<td>Total</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
Investment and contributions by owners

Contributions by owners made to wholly-owned public sector entities

Reconciliation of balances at 30 June 2018 and 30 June 2017

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>30 June 2018</th>
<th>30 June 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Assets</td>
<td>$538,845</td>
<td>$498,840</td>
</tr>
<tr>
<td>Cultural Assets</td>
<td>$4,948</td>
<td>$3,795</td>
</tr>
<tr>
<td>Buildings and Heritage and Leasehold Assets</td>
<td>$338,845</td>
<td>$299,328</td>
</tr>
<tr>
<td>Buildings and Heritage and Leasehold Assets</td>
<td>$338,845</td>
<td>$299,328</td>
</tr>
<tr>
<td>Cultural Assets</td>
<td>$4,948</td>
<td>$3,795</td>
</tr>
<tr>
<td>Total Assets</td>
<td>$538,845</td>
<td>$498,840</td>
</tr>
</tbody>
</table>

The asset revaluation surplus represents the net effect of upward and downward revaluations of assets to fair market value.

Accounting Policy

C9-2 APPROPRIATIONS RECOGNISED IN EQUITY

Reconciliation of appropriations from consolidated fund to equity adjustments

C9-1 CONTRIBUTED EQUITY

EQUITY

Notes to the Financial Statements

Department of Education
SECTION 4
NOTES ABOUT RISK AND OTHER ACCOUNTING UNCERTAINTIES

D1 FAIR VALUE MEASUREMENT

D1-1 ACCOUNTING POLICIES AND INPUTS FOR FAIR VALUES

What is Fair Value?
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The measurement date under current market conditions (i.e. an arm’s-length transaction) is an important consideration when determining fair value.

D1-2 BASIS FOR FAIR VALUES OF ASSETS AND LIABILITIES

Land

Effective Date of Last Specific Appraisal:
30 June 2018 by State Valuation Service

Valuation Approach:

Inputs:
The fair value of land involved physical inspection and reference to publicly available data on recent sales of similar land in nearby localities in accordance with Industry standards.

Current Year Valuation Activity:
Approximately one quarter of the department’s land was independently valued. In determining the values, adjustments were made to the sales data to take into account any significant restrictions or other characteristics of the assets involved.

Unobservable inputs are data, assumptions and judgments that are not available publicly, but are relevant characteristics of the assets involved. Significant unobservable inputs include: internal records of recent construction costs; and assessments of physical condition and remaining useful life. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets.

A fair value measurement of a non-financial asset takes into account a ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Fair Value Measurement Hierarchy
All assets and liabilities of the department for which fair value is measured or disclosed in the financial statements are categorised with the following fair value hierarchy, based on the data and assumptions used in the most recent specific appraisals:

- **Level 1** represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities.
- **Level 2** represents fair value measurements that are substantially derived from inputs (other than quoted prices included in level 1) that are observable, either directly or indirectly, and are classified within a fair value hierarchy level based on the highest level within that hierarchy of the significant inputs used. Significant unobservable inputs are included in level 3.
- **Level 3** represents fair value measurements that are substantially derived from unobservable inputs.

None of the department’s valuations of assets or liabilities are eligible for reclassification into level 1 of the fair value hierarchy.

Observables inputs are publicly available data that are relevant to the characteristics of the assets and liabilities being valued. Unobservable inputs are data, assumptions and judgments that are not available publicly, but are relevant characteristics of the assets involved. Significant unobservable inputs include: internal records of recent construction costs; and assessments of physical condition and remaining useful life. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets.

A fair value measurement of a non-financial asset takes into account a ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
D1.2 BASIS FOR FAIR VALUES OF ASSETS AND LIABILITIES (continued)

D1.2.1 FAIR VALUE MEASUREMENT (continued)

Buildings

Effective Date of Last Specific Appraisal: 30 June 2018

Valuation Approach:

Current Year Valuation Activity

As at 30 June 2018, leased assets were valued using the indices provided by State Valuation Service as follows:

Valuation Approach:

All purpose-built facilities are valued at current replacement cost, as there is no active market for these assets.

Inputs:

State Valuation Service conduct physical inspections and apply construction rates from the State School Costing Manual provided by GRC Quantity Surveyors. Fair Value Hierarchy Level 3.

Current Year Valuation Activity:

Leased assets were valued using the indices provided by State Valuation Service as at 30 June 2018.

Valuation Approach:

Effective Date of Last Specific Appraisal: 30 June 2018

Heritage and Cultural Assets

Effective Date of Last Specific Appraisal: 30 June 2018

Valuation Approach:

Current Year Valuation Activity:

Approximately one quarter of the department’s heritage and cultural assets were independently valued. The remaining three quarters were indexed using the Building Price Index provided by GRC Quantity Surveyors. Management of the department has judged that the above valuations continue to materially represent fair value as at 30 June 2018.

_inputs:_

Estimating the cost to reproduce the items with features and materials of the original items, with substantial adjustments made to take into account the items heritage restrictions and characteristics.

Current Year Valuation Activity:

Heritage and Cultural Assets

Effective Date of Last Specific Appraisal: 30 June 2018

Valuation Approach:

Current Year Valuation Activity:

Approximately one quarter of the department’s heritage and cultural assets were independently valued. The remaining three quarters were indexed using the Building Price Index provided by GRC Quantity Surveyors. Management of the department has judged that the above valuations continue to materially represent fair value as at 30 June 2018.

Valuation Approach:

Inputs:

Building Price Index provided by GRC Quantity Surveyors.
D1 FAIR VALUE MEASUREMENT (continued)

D1-3 FAIR VALUE DISCLOSURES FOR FINANCIAL LIABILITIES MEASURED AT AMORTISED COST

The fair value of trade receivables and payables is assumed to approximate the value of the original transaction, less any allowance for impairment.

The fair value of borrowings is notified by the Queensland Treasury Corporation. It is calculated using discounted cash flow analysis and the effective interest rate and is disclosed below:

<table>
<thead>
<tr>
<th>Description</th>
<th>Fair Value</th>
<th>Carrying Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Queensland Treasury Corporation borrowings</td>
<td>2017</td>
<td>2018</td>
</tr>
<tr>
<td>Financial liabilities measured at amortised cost</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receivables</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Financial liabilities</td>
<td>$000</td>
<td>$000</td>
</tr>
</tbody>
</table>

Note:

For the year ended 30 June 2018

Financial Instrument Categories

D2 FINANCIAL RISK DISCLOSURES

D2-1 FINANCIAL INSTRUMENT CATEGORIES

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

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

<table>
<thead>
<tr>
<th>Description</th>
<th>Fair Value</th>
<th>Carrying Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receivables</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Receivables</td>
<td>$000</td>
<td>$000</td>
</tr>
</tbody>
</table>

Note:

For the year ended 30 June 2018

Financial Risk Disclosures

D3 FAIR VALUE DISCLOSURES FOR FINANCIAL LIABILITIES MEASURED AT AMORTISED COST (continued)
Risk Exposure

Financial risk management is implemented pursuant to Government policy and seeks to minimise potential adverse effects on the financial performance of the department.

<table>
<thead>
<tr>
<th>Risk Exposure Definition</th>
<th>Exposure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit Risk</td>
<td>Credit risk exposure refers to the situation where the department may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation.</td>
</tr>
<tr>
<td>Liquidity Risk</td>
<td>Liquidity risk refers to the situation where the department may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.</td>
</tr>
<tr>
<td>Market Risk</td>
<td>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.</td>
</tr>
<tr>
<td>Interest Rate Risk</td>
<td>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.</td>
</tr>
</tbody>
</table>

Risk Measurement and Management Strategies

<table>
<thead>
<tr>
<th>Risk Exposure Method</th>
<th>Risk Management Strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit Risk</td>
<td>Ageing analysis. The department manages credit risk through the use of a credit management strategy. This strategy aims to reduce the exposure to credit default by ensuring that the department invests in secure assets and monitors the creditworthiness of all parties that owe funds to the department. Exposure to credit risk is monitored on an ongoing basis.</td>
</tr>
<tr>
<td>Liquidity Risk</td>
<td>Sensitivity analysis. The department manages liquidity risk by ensuring that the department has sufficient funds available to meet employee and supplier obligations as they fall due. This is achieved by ensuring that the department invests in cash and ensures that adequate funds are available to meet employee and supplier obligations.</td>
</tr>
<tr>
<td>Market Risk</td>
<td>Interest rate sensitivity analysis. The department manages its market risk as per the liquidity risk management strategy.</td>
</tr>
</tbody>
</table>

D2-3 Maximum Credit Risk Exposure Where Carrying Amounts Do Not Equal Contractual Amounts

The department is exposed to credit risk in excess of the carrying amount of any asset or liability recognised from entering the transaction.

The department is exposed to credit risk in respect of the debt guarantee provided to Parents and Citizens’ Associations, Universities and Grammar Schools, as disclosed in Note D3.
### D2 Financial Risk Disclosures (continued)

#### D2-4 Liquidity Risk

**Contractual Maturity of Financial Liabilities**

The following tables set out the liquidity risk of financial liabilities held by the department. It represents the contractual maturity of financial liabilities, calculated based on undiscounted cash flows relating to the liabilities at reporting date.

### D3 Contingencies

#### Litigation in Progress

At 30 June 2018, the following cases were filed in the courts naming the State of Queensland acting through the Department of Education as defendant:

<table>
<thead>
<tr>
<th>No. of Cases</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>123</td>
<td>132</td>
</tr>
<tr>
<td>Magistrates Court</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>District Court</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Supreme Court</td>
<td>118</td>
<td>113</td>
</tr>
</tbody>
</table>

Insurance Fund

This table reflects the maximum amounts the department is exposed to in the event of an uninsured or under-insured loss. The maximum exposure of the department under this policy is $10,000 for each insured event.

**Insured Fund**

This table sets out the insurance cover held by the department, calculated based on undiscounted cash flows relating to the liabilities at reporting date.

#### 2017 Payable in

Financial liabilities

<table>
<thead>
<tr>
<th>Financial liabilities</th>
<th>Total</th>
<th>Less than 1 year</th>
<th>1-5 years</th>
<th>&gt;5 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lease Liability</td>
<td>200,000</td>
<td>0</td>
<td>0</td>
<td>200,000</td>
</tr>
<tr>
<td>Queensland Treasury Corporation Borrowing</td>
<td>3,200,000</td>
<td>0</td>
<td>0</td>
<td>3,200,000</td>
</tr>
<tr>
<td>Total</td>
<td>3,400,000</td>
<td>0</td>
<td>0</td>
<td>3,400,000</td>
</tr>
</tbody>
</table>

#### 2018 Payable in

Financial liabilities

<table>
<thead>
<tr>
<th>Financial liabilities</th>
<th>Total</th>
<th>Less than 1 year</th>
<th>1-5 years</th>
<th>&gt;5 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lease Liability</td>
<td>200,000</td>
<td>0</td>
<td>0</td>
<td>200,000</td>
</tr>
<tr>
<td>Queensland Treasury Corporation Borrowing</td>
<td>3,200,000</td>
<td>0</td>
<td>0</td>
<td>3,200,000</td>
</tr>
<tr>
<td>Total</td>
<td>3,400,000</td>
<td>0</td>
<td>0</td>
<td>3,400,000</td>
</tr>
</tbody>
</table>

The following tables set out the liquidity risk of financial liabilities held by the department. It represents the contractual maturity of financial liabilities.

#### D2 Financial Risk Disclosures (continued)

For the year ended 30 June 2018
Notes to the Financial Statements
Department of Education
Financial Guarantees and Associated Credit Risks

The department has provided 24 (2016-17: 24) guarantees to grammar schools for a variety of loans. These guarantees have been provided over a period of time and have various maturity dates.

The department has provided 24 (2016-17: 24) guarantees to grammar schools for a variety of loans. These guarantees have been provided over a period of time and have various maturity dates.

Native Title Claims over Departmental Land

As such, the fair value of the guarantees has not been recognised in the Statement of Financial Position.

The Department of Education assesses the fair value of financial guarantees annually at 30 June. It has been determined that the fair value of all financial guarantees is nil as at 30 June as no defaults have been recognised since the inception of the guarantees. As such, the fair value of the guarantees has not been recognised in the Statement of Financial Position.
### D4 COMMITMENTS

#### Non-cancellable operating lease commitments

Commitments under non-cancellable operating leases at reporting date (inclusive of non-recoverable GST input tax credits) are payable as follows:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not later than one year</td>
<td>37,626</td>
<td>26,244</td>
</tr>
<tr>
<td>Later than one and not later than five years</td>
<td>106,837</td>
<td>89,524</td>
</tr>
<tr>
<td>Later than five years</td>
<td>55,836</td>
<td>33,113</td>
</tr>
<tr>
<td><strong>Total non-cancellable operating lease commitments</strong></td>
<td><strong>200,299</strong></td>
<td><strong>148,881</strong></td>
</tr>
</tbody>
</table>

Operating leases are entered into as a means of acquiring access to office accommodation and storage facilities. Lease payments are generally fixed, but with inflation escalation clauses on which contingent rentals are determined.

No renewal or purchase options exist in relation to operating leases and no operating leases contain restrictions on financing or other capital expenditure commitments.

#### Capital expenditure commitments - Buildings

Commitments for capital expenditure at reporting date (inclusive of non-recoverable GST input tax credits) are payable as follows:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not later than one year</td>
<td>31,178</td>
<td>27,965</td>
</tr>
<tr>
<td>Later than one and not later than five years</td>
<td>22,416</td>
<td>16,092</td>
</tr>
<tr>
<td>Later than five years</td>
<td>4,839</td>
<td>4,159</td>
</tr>
<tr>
<td><strong>Total capital expenditure commitments - Buildings</strong></td>
<td><strong>58,433</strong></td>
<td><strong>48,116</strong></td>
</tr>
</tbody>
</table>

#### Capital expenditure commitments - Land

Commitments for capital expenditure at reporting date (inclusive of non-recoverable GST input tax credits) are payable as follows:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not later than one year</td>
<td>16,658</td>
<td>15,891</td>
</tr>
<tr>
<td>Later than one and not later than five years</td>
<td>2,117</td>
<td>1,984</td>
</tr>
<tr>
<td>Later than five years</td>
<td>344</td>
<td>345</td>
</tr>
<tr>
<td><strong>Total capital expenditure commitments</strong></td>
<td><strong>19,129</strong></td>
<td><strong>18,220</strong></td>
</tr>
</tbody>
</table>

### Grant commitments

Commitments for grants (inclusive of non-recoverable GST input tax credits) are payable as follows:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not later than one year</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Later than one and not later than five years</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Later than five years</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total grant commitments</strong></td>
<td><strong>0</strong></td>
<td><strong>0</strong></td>
</tr>
</tbody>
</table>

### Other commitments

Other commitments (Public Private Partnerships and other) are payable as follows:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not later than one year</td>
<td>432,677</td>
<td>21,967</td>
</tr>
<tr>
<td>Later than one and not later than five years</td>
<td>2,176</td>
<td>111,505</td>
</tr>
<tr>
<td>Later than five years</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total other commitments</strong></td>
<td><strong>434,859</strong></td>
<td><strong>126,682</strong></td>
</tr>
</tbody>
</table>
D5 FUTURE IMPACT OF ACCOUNTING STANDARDS NOT YET EFFECTIVE

At the date of authorisation of the financial report, the expected impacts of new or amended Australian Accounting Standards issued but with future commencement dates are set out below:

AASB 1058
Income of Not-for-Profit Entities

AASB 15
Revenue from Contracts with Customers

These standards will first apply to the department from its financial statements for 2019-20. The department has commenced analysing the new revenue recognition requirements under these standards and there are unlikely to be any significant impacts, as the department's main revenue source remains government appropriation. Potential future impacts identifiable at the date of this report are as follows:

Special purpose grants received to construct a departmental non-financial asset will be recognised as a liability, and subsequently recognised progressively as revenue as the department satisfies its performance obligations under the grant. At present, such grants are recognised as revenue upfront.

Under the new standards, other grants presently recognised as revenue upfront may be eligible to be recognised as revenue progressively as the associated performance obligations are satisfied, but only if the associated performance obligations are enforceable and sufficiently specific. The department receives several grants from the Australian Government for which there are no sufficiently specific performance obligations; the total of these grants in the 2017-18 year were $10.42 million and are expected to continue being recognised as revenue upfront assuming no change to the current grant arrangements.

Depending on the respective contractual terms, the new requirements of AASB 15 may potentially result in a change to the timing of revenue from sales of the department's goods and services such that some revenue may need to be deferred to a later reporting period to the extent that the department has received cash but has not met its associated obligations (such amounts would be reported as a liability in the meantime). The department is yet to complete its analysis of existing arrangements for sale of its goods and services, but at this stage does not expect a significant impact on its present accounting practices.

A range of new disclosures will also be required by the new standards in respect of the department's revenue.

AASB 9
Financial Instruments

AASB 2014-7
Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)

These standards will first apply to the department from its financial statements for 2018-19 with a 1 July date of transition. The main impacts of these standards on the department are that they will change the requirements for the classification, measurement, impairment and disclosures associated with the department's financial assets. AASB 9 will introduce different criteria for whether financial assets can be measured at amortised cost or fair value.

The department has reviewed the impact of AASB 9 on the classification and measurement of its financial assets. The following summarises the estimated impact (or ranges of estimates) of AASB 9 on the categorisation and valuation of the amounts reported in Note D2-1:

There will be no change to either the classification or valuation of the cash and current equivalent items.

There will be no change to either the classification or valuation of the trade receivables and associated provisions.

AASB 1015 Income from Not-for-Profit Entities and AASB 15 Revenue from Contracts with Customers

Notes to the Financial Statements

Department of Education
D5 FUTURE IMPACT OF ACCOUNTING STANDARDS NOT YET EFFECTIVE (continued)

AASB 16 Leases

This standard will first apply to the department from its financial statements for 2019-20. When applied, the standard supersedes AASB 117 Leases, AASB Interpretation 4 Determining whether an Arrangement contains a Lease, AASB Interpretation 115 Operating Leases, and AASB Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

Impact for Lessees

Unlike AASB 117 Leases, AASB 16 introduces a single lease accounting model for lessees. Lessees will be required to recognise a right-of-use asset (representing rights to use the underlying leased asset) and a liability (representing the obligation to make lease payments) for all leases with a term of more than 12 months, unless the underlying assets are of low value.

In effect, the majority of operating leases (as defined by the current AASB 117) will be reported on the statement of financial position under AASB 16. There will be an increase in assets and liabilities for agencies that lease assets. The impact on the reported assets and liabilities will depend on the nature of the leases and the specific circumstances of each lessee.

The right-of-use asset will be initially recognised at cost, consisting of the initial amount of the associated lease liability, plus any lease payments made to the lessor at or before the effective date, less any lease incentive received, the initial estimate of restoration costs and any initial direct costs incurred by the lessee. The right-of-use asset will give rise to a depreciation expense.

The lease liability will be initially recognised at an amount equal to the present value of the lease payments during the lease term that are not yet paid. Current operating lease rental payments will no longer be expensed in the Statement of Comprehensive Income. Instead, they will be apportioned between a reduction in the recognised lease liability and the implicit finance charge (the effective rate of interest) in the lease. The finance cost will also be recognised as an expense.

If a lessee

Instead, the cumulative effect of applying the standard is recognised as an adjustment to the opening balance of accumulated surplus (or other component of equity, as appropriate) at the date of initial application. The department will await further guidance from Queensland Treasury on the transitional accounting method to be applied.

The department has not yet quantified the impact on the Statement of Comprehensive Income or the Statement of Financial Position of applying AASB 16 to its current operating leases, including the extent of additional disclosure required. The identification of an appropriate discount rate is one of the main factors to be determined before transitional values for the right-of-use assets can be calculated.

Approximately 97% ($220 million) of the department’s operating lease commitments are with lessors external to Government agencies as lessor (i.e. internal-to-Government leases). The remaining 3% ($7 million) of operating lease commitments are with lessors external to Government, which includes external-to-Government lessors that lease property to facilitate community service delivery.

At 30 June 2018, the department had operating lease commitments of up to $200 million and annual lease payments of up to $37 million. The department has operating lease commitments of approximately $19.7 million with annual lease payments of $19.7 million.

The Department of Education is currently awaiting formal guidance from Queensland Treasury as to whether these arrangements should be accounted for on-balance sheet under AASB 16. The Department also has a number of cancellable motor vehicle leases with QFleet that are not presently included as part of the operating lease commitments note as they do not constitute a lease under AASB 117 and Accounting Interpretation 4. The department is also awaiting confirmation from Queensland Treasury that QFleet arrangements will continue to fall outside the requirements of AASB 16 for on-balance sheet accounting.

External-to-Government leases

For leases with external lessors, these comprise arrangements for the right-of-use of commercial property in rural and remote regions to facilitate community service delivery.
D5 FUTURE IMPACT OF ACCOUNTING STANDARDS NOT YET EFFECTIVE (continued)

AASB 1059 Service concession arrangements:

For the year ended 30 June 2018
Notes to the Financial Statements

Department of Education
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2018

SECTION 5
NOTES ABOUT OUR PERFORMANCE COMPARED TO BUDGET

E1 BUDGETARY REPORTING DISCLOSURES

This section discloses adjusted budgeted figures for 2017-18 compared to actual results, with explanations of major variances.

E1-1 EXPLANATION OF MAJOR VARIANCES - STATEMENT OF COMPREHENSIVE INCOME

STATEMENT OF COMPREHENSIVE INCOME

User charges and fees:
The increase is mainly due to higher fees and charges received directly by schools ($20 million) and higher international education revenues ($9 million).

Grants and contributions:
The increase is mainly due to higher WorkCover contributions ($3 million), and higher contributions received directly by schools.

Other revenue:
Increase mainly due to higher than budgeted insurance recoveries from the Queensland Government Insurance Fund ($6 million).

Other expenses:
Increase mainly due to deferred appropriation refundable to Queensland Treasury ($14 million) offset by lower expenses associated with student donations.

Increase in Asset revaluation surplus:
The increase is mainly due to higher asset revaluation outcomes including for building indexation (+4.2%) instead of the budgeted 2.5% increase.

E1-2 EXPLANATION OF MAJOR VARIANCES - STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION

Cash and cash equivalents:
The variance is mainly due to a higher actual opening balance ($153 million), compared to what was estimated in the budget. The remainder of the variance is substantially due to factors outlined in the explanations of major variances in the Statement of Cash flows.

Other current assets:
Increase mainly due to the timing of prepayments associated with capital co-contributions to the Queensland Schools Public Private Partnership ($15 million).

Other current liabilities:
Increase mainly due to the departmental services appropriation refundable to Queensland Treasury ($14 million).

E1-3 EXPLANATION OF MAJOR VARIANCES - STATEMENT OF CASH FLOWS

STATEMENT OF CASH FLOWS

User charges and fees:
Mainly due to higher fees and charge received directly by schools ($32 million) and higher international education revenues ($9 million).

Grants and subsidies:
Decrease is mainly due to deferral of funding for Australian Government National Partnership programs for Early Childhood ($50 million) and for Senior Assessment and Tertiary Entrance System ($6 million).

Other outflows:
Decrease mainly due to lower payments for Queensland Government facilities ($3 million) and student transport assistance paid to Queensland Transport ($3 million).

Payments for Property, plant and equipment:
Increase is mainly due to additional funding brought forward for new schools delivery ($20 million) and for the Building Future Schools program ($15 million).

Borrowings and finance leases:
The increase is due to the delivery of additional stages under the Queensland Schools Public Private Partnership.

Equity injections:
Increase is mainly due to additional funding brought forward for new schools delivery ($20 million) and for the Building Future Schools program ($15 million).
### Section 6

**WHAT WE LOOK AFTER ON BEHALF OF WHOLE-OF-GOVERNMENT AND THIRD PARTIES**

**F1 Administered Activities**

The department administers, but does not control, certain activities on behalf of the Government. In doing so, it is responsible for administering those activities efficiently and effectively, but does not have the discretion to set objectives.

Accounting policies applicable to administered items are consistent with the equivalent policies for controlled items, unless stated otherwise.

#### F1-1 Schedule of Administered Income and Expenditure

<table>
<thead>
<tr>
<th>Section of Government</th>
<th>Administered Income</th>
<th>Administered Expenditure</th>
<th>Operating Surplus/(Deficit)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$007 799</td>
<td>$007 799</td>
<td></td>
</tr>
<tr>
<td></td>
<td>6 563 745</td>
<td>6 563 746</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2 544 452</td>
<td>2 544 462</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2 393 710</td>
<td>2 393 710</td>
<td></td>
</tr>
<tr>
<td></td>
<td>96 698</td>
<td>96 698</td>
<td></td>
</tr>
</tbody>
</table>

**Administered Income**

- **Fees and Charges**
  - **Recurrent**
    - State Government
    - Non-state and other external organisations
  - **Specific Purpose - Commonwealth**
    - Grants and contributions
    - Fees and charges

**Administered Expenditure**

- **Fees and Charges**
  - **Recurrent**
  - **Specific Purpose - Commonwealth**
  - **State Government**
  - **Non-State and other external organisations**
  - **Grants and Contributions**
    - State Government
    - Non-state and other external organisations

#### Notes

*This appropriation revenue is provided in cash via Queensland Treasury and funds activities/expenses that the department administers on behalf of the Government.*

**Gains to statutory bodies (curriculum, tertiary and training)**
- Textbooks below $65
- Textbooks above $65
- Textbooks above $65
- Textbooks above $65
- Textbooks below $65

**Transfers of administered income to Government**
- Loss on disposal/revaluation of assets
- Supplies and services

**Grants to statutory bodies (curriculum, tertiary and training)**
- Australian government assistance to non-state schools
- Non-state schools
- Recurrent
- Textbooks below $65
- Textbooks above $65

**Grants and contributions**
- Australian government assistance to non-state schools
- Non-state schools
- Recurrent
- Textbooks below $65
- Textbooks above $65
### F1 ADMINISTERED ACTIVITIES (continued)

#### F1-2 RECONCILIATION OF PAYMENTS FROM CONSOLIDATED FUND TO ADMINISTERED INCOME

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Administered Assets/Liabilities</td>
<td></td>
</tr>
<tr>
<td>Total Administered Current Liabilities</td>
<td></td>
</tr>
<tr>
<td>Transfers from Government Payable</td>
<td></td>
</tr>
<tr>
<td>Other Payable</td>
<td></td>
</tr>
<tr>
<td>CST Payable</td>
<td></td>
</tr>
<tr>
<td>Overall Recurrent</td>
<td></td>
</tr>
</tbody>
</table>

#### F1-3 SCHEDULE OF ADMINISTERED ASSETS AND LIABILITIES

<table>
<thead>
<tr>
<th>Description</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administered Current Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GST Input Tax Credits Receivable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue Expenditure</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade Receivable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Appropriation Receivable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash at Bank</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### F1-4 RECONCILIATION OF PAYMENTS FROM CONSOLIDATED FUND TO ADMINISTERED INCOME

<table>
<thead>
<tr>
<th>Description</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administered Revenue Recognized in Note F1-1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Administered Revenue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less: Opening balance of administered revenue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Appropriation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impeachment Expenditure</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Budgeted Appropriation</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### F1-5 ADMINISTERED ACTIVITIES (continued)

<table>
<thead>
<tr>
<th>Description</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notes to the Financial Statements</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Department of Education
This note compares the adjusted published budgeted figures for 2017-18 of administered income, expenses, assets and liabilities. An explanation of major variances is also included.

**F1-4 ADMINISTERED ACTIVITIES - BUDGET TO ACTUAL COMPARISON AND VARIANCE ANALYSIS**

<table>
<thead>
<tr>
<th></th>
<th>Adjusted Budget</th>
<th>Actual</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2018</strong></td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administered Income</td>
<td>5,914,149</td>
<td>6,007,795</td>
<td>93,646</td>
</tr>
<tr>
<td>Fees and Charges</td>
<td>23,053</td>
<td>35,856</td>
<td>12,803</td>
</tr>
<tr>
<td>Other revenue</td>
<td>148</td>
<td>-</td>
<td>(148)</td>
</tr>
<tr>
<td>Total Administered Income</td>
<td>5,914,149</td>
<td>6,007,795</td>
<td>93,646</td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants and subsidies</td>
<td>3,383,858</td>
<td>3,423,770</td>
<td>39,912</td>
</tr>
<tr>
<td>Supplies and services</td>
<td>3</td>
<td>1</td>
<td>(2)</td>
</tr>
<tr>
<td>Losses on disposal/remeasurement of assets</td>
<td>21</td>
<td>(6)</td>
<td>(27)</td>
</tr>
<tr>
<td>Transfers of Administered income to Government</td>
<td>2,530,267</td>
<td>2,584,030</td>
<td>53,763</td>
</tr>
<tr>
<td>Total Administered Expenses</td>
<td>3,383,858</td>
<td>3,423,770</td>
<td>39,912</td>
</tr>
<tr>
<td>Operating Surplus/(Deficit)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administered Assets</td>
<td>8,544</td>
<td>25,054</td>
<td>16,510</td>
</tr>
<tr>
<td>Cash at bank</td>
<td>211</td>
<td>5,336</td>
<td>5,125</td>
</tr>
<tr>
<td>Trade receivable</td>
<td>8,333</td>
<td>9,241</td>
<td>908</td>
</tr>
<tr>
<td>Total Administered Assets</td>
<td>8,544</td>
<td>25,054</td>
<td>16,510</td>
</tr>
<tr>
<td>Liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administered Liabilities</td>
<td>8,333</td>
<td>24,842</td>
<td>16,509</td>
</tr>
<tr>
<td>Overdraft facility</td>
<td>-</td>
<td>10,355</td>
<td>10,355</td>
</tr>
<tr>
<td>Transfer from Government Payable</td>
<td>8,333</td>
<td>14,486</td>
<td>6,153</td>
</tr>
<tr>
<td>Total Administered Liabilities</td>
<td>8,333</td>
<td>24,842</td>
<td>16,509</td>
</tr>
<tr>
<td>Net Administered Assets/Liabilities</td>
<td>211</td>
<td>212</td>
<td>1</td>
</tr>
</tbody>
</table>

**Notes Explaining Major Variances for Administered Activities**

**Fees and Charges**
Mainly due to higher workplace health and safety regulatory fees collected by the Office of Industrial Relations ($9 million).

**Appropriation receivable and Overdraft facility**
Mainly due to higher recurrent Commonwealth assistance to non-state school transfers.
(a) Educational bequests

The department acts as trustee for and manages one trust established by benefactors to encourage Queensland students to learn Japanese as a second language and recognise their achievements in acquiring this valuable skill. The Trust receives revenue in the form of bank interest and makes disbursements for student bursaries to fund travel and tuition fees and support continuing study of the Japanese language.

No fees are received by the department for providing trustee services for these funds.

No fees are payable by the department for these trust transactions.

F2  TRUST TRANSACTIONS AND BALANCES

for the year ended 30 June 2018

Notes to the Financial Statements

Department of Education

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

Total

Trust Account - Educational bequests

<table>
<thead>
<tr>
<th>2018</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.00</td>
<td>0.00</td>
<td>251</td>
<td>239</td>
</tr>
</tbody>
</table>

Total

Trust Account - Educational bequests

<table>
<thead>
<tr>
<th>2018</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>251</td>
<td>239</td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>

No fees are received by the department for providing trustee services for these funds.
### SECTION 7

#### OTHER INFORMATION

**G1  KEY MANAGEMENT PERSONNEL (KMP) REMUNERATION**

**Details of Key Management Personnel**

- **Director-General**
  - Strengthening education by boosting participation and quality in early childhood, improving the performance of schools and delivering more responsive training and industrial relations sectors.

- **Deputy Director-General, Corporate Services**
  - Resources, information technologies, and infrastructure services functions.

- **Deputy Director-General, Early Childhood and Community Engagement**
  - Strategic leadership in the development and implementation of the innovation policy, funding and regulatory frameworks that shape the vibrant early childhood education and care sector in Queensland.

- **Deputy Director-General, Policy, Performance and Planning**
  - Education, and Aboriginal and Torres Strait Islander education, at a whole of government and national level.

- **Deputy Director-General, State Schools**
  - Leadership in the development and implementation of innovative and effective education models and policies for Queensland State Schools.

- **Deputy Director-General, Training and Skills**
  - Investment in training, ensuring a quality vocational educational and training sector with informed consumers.

- **Deputy Director-General, Office of Industrial Relations**
  - Leadership of the Office of Industrial Relations, with responsibility for improving work health and safety performance in Queensland.

- **Assistant Director-General, Finance and Chief Finance Officer**
  - Finance functions. The position also has responsibilities under section 77 of the Financial Accountability Act 2009 (Qld).

- **Regional Director (rotating representative)**
  - Leadership in providing direction to the operations of the department at the regional level across all service streams, ensuring delivery of planned outcomes in line with departmental vision, values, and strategic direction.

**Key Management Personnel Remuneration Policies**

- **Ministerial remuneration entitlements are**
  - The department 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 is disclosed in the Queensland General Government and Whole of Government Consolidated Financial Statements, which are published.

- **the Queensland Public Service Commission as provided for under the Public Service Act 2008.**
  - Individual remuneration and other terms of employment (including motor vehicle entitlements and performance payments if applicable) are specified in employment contracts.
G1 KEY MANAGEMENT PERSONNEL (KMP) REMUNERATION (continued)

Remuneration expenses for those KMP comprises the following:

Key Management Personnel Remuneration Policies (continued)

- Remuneration expenses for those KMP comprises the following components:
  - Short term employee expenses: including:
    - salaries, allowances and leave entitlements earned and expensed for the entire year, or for that part of the year during which the employee occupied the KMP position;
    - non-monetary benefits consisting of provision of vehicle and car parking together with fringe benefits tax applicable to the benefit.
  - Long term employee expenses: including amounts expensed in respect of long service leave entitlements and post-employment expenses.
  - Termination expenses.

Key Management Personnel Remuneration Expenses

The following disclosures focus on the expenses incurred by the department attributable to non-Ministerial KMP during the respective reporting periods. The amounts disclosed are determined on the same basis as expenses recognised in the Statement of Comprehensive Income.

<table>
<thead>
<tr>
<th>Position</th>
<th>Short Term Employee Expenses</th>
<th>Long Term Employee Expenses</th>
<th>Post-Employment Expenses</th>
<th>Termination Benefits</th>
<th>Total Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director-General (from 30/04/2018)</td>
<td>86</td>
<td>2</td>
<td>10</td>
<td>98</td>
<td>117</td>
</tr>
<tr>
<td>Director-General (to 31/12/2017)</td>
<td>265</td>
<td>10</td>
<td>7</td>
<td>24</td>
<td>310</td>
</tr>
<tr>
<td>Deputy Director-General, Corporate Services</td>
<td>265</td>
<td>7</td>
<td>6</td>
<td>28</td>
<td>306</td>
</tr>
<tr>
<td>Deputy Director-General, Early Childhood and Community Engagement</td>
<td>213</td>
<td>6</td>
<td>5</td>
<td>23</td>
<td>247</td>
</tr>
<tr>
<td>Deputy Director-General, Policy, Performance and Planning</td>
<td>297</td>
<td>14</td>
<td>7</td>
<td>28</td>
<td>346</td>
</tr>
<tr>
<td>Deputy Director-General, Policy, Performance and Planning (Acting 21/09/2017 to 03/11/2017; 20/12/2017 to 29/04/2018)</td>
<td>108</td>
<td>2</td>
<td>12</td>
<td>122</td>
<td></td>
</tr>
<tr>
<td>Deputy Director-General, State Schools</td>
<td>285</td>
<td>10</td>
<td>6</td>
<td>28</td>
<td>329</td>
</tr>
<tr>
<td>Deputy Director-General, State Schools (Acting 12/02/2018 to 25/02/2018; 15/03/2018 to 10/06/2018)</td>
<td>55</td>
<td>2</td>
<td>1</td>
<td>5</td>
<td>63</td>
</tr>
<tr>
<td>Deputy Director-General, Training and Skills (to 31/12/2017)</td>
<td>117</td>
<td>3</td>
<td>3</td>
<td>117</td>
<td></td>
</tr>
</tbody>
</table>

2017-18

Notes to the Financial Statements
Department of Education

For the year ended 30 June 2018
### Key Management Personnel (KMP) Remuneration (continued)

#### 2016-17

<table>
<thead>
<tr>
<th>Position</th>
<th>Short Term Employee Expenses</th>
<th>Long Term Employee Expenses</th>
<th>Post-Employment Expenses</th>
<th>Termination Benefits</th>
<th>Total Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deputy Director-General, Office of Industrial Relations ++</td>
<td>136</td>
<td>3</td>
<td>14</td>
<td>153</td>
<td>143</td>
</tr>
<tr>
<td>Assistant Director-General, Finance and Chief Finance Officer (to 19/11/2017)</td>
<td>97</td>
<td>21</td>
<td>5</td>
<td>6</td>
<td>139</td>
</tr>
<tr>
<td>Assistant Director-General, Finance and Chief Finance Officer (Acting from 20/11/2017)</td>
<td>126</td>
<td>3</td>
<td>2</td>
<td>12</td>
<td>143</td>
</tr>
<tr>
<td>Regional Director (rotating representative) (from 15/03/2018)</td>
<td>64</td>
<td>1</td>
<td>7</td>
<td>7</td>
<td>72</td>
</tr>
<tr>
<td>Regional Director (rotating representative) (01/07/2017 to 14/03/2018)</td>
<td>132</td>
<td>1</td>
<td>3</td>
<td>18</td>
<td>154</td>
</tr>
<tr>
<td>Deputy Director-General, Corporate</td>
<td>450</td>
<td>7</td>
<td>18</td>
<td>510</td>
<td>510</td>
</tr>
</tbody>
</table>

* During the period 1 January 2016 to 29 April 2018, the position of Director-General was performed consecutively by Deputy Director-General (AGRENT).*

---

### 2017-18

<table>
<thead>
<tr>
<th>Position</th>
<th>Short Term Employee Expenses</th>
<th>Long Term Employee Expenses</th>
<th>Post-Employment Expenses</th>
<th>Termination Benefits</th>
<th>Total Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deputy Director-General, Corporate</td>
<td>259</td>
<td>8</td>
<td>5</td>
<td>299</td>
<td>299</td>
</tr>
<tr>
<td>Deputy Director-General, Early Childhood and Community Engagement (from 18/04/2017)</td>
<td>46</td>
<td>2</td>
<td>4</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Deputy Director-General, Early Childhood and Community Engagement (to 31/01/2017)</td>
<td>132</td>
<td>4</td>
<td>3</td>
<td>154</td>
<td>154</td>
</tr>
<tr>
<td>Deputy Director-General, Policy, Performance and Planning</td>
<td>258</td>
<td>9</td>
<td>5</td>
<td>299</td>
<td>299</td>
</tr>
<tr>
<td>Deputy Director-General, State Schools</td>
<td>240</td>
<td>6</td>
<td>8</td>
<td>240</td>
<td>240</td>
</tr>
<tr>
<td>Deputy Director-General, Training</td>
<td>229</td>
<td>8</td>
<td>6</td>
<td>229</td>
<td>229</td>
</tr>
</tbody>
</table>

---

Note: Figures may not add due to rounding.
### G1 KEY MANAGEMENT PERSONNEL (KMP) REMUNERATION (continued)

<table>
<thead>
<tr>
<th>Position</th>
<th>Short Term Employee Expenses</th>
<th>Long Term Employee Expenses</th>
<th>Post Employment Expenses</th>
<th>Termination Benefits</th>
<th>Total Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assistant Director-General, Finance and Chief Finance Officer</td>
<td>xx</td>
<td>xx</td>
<td>xx</td>
<td>xx</td>
<td>xx</td>
</tr>
<tr>
<td>Regional Director (rotating representative)</td>
<td>-</td>
<td>-</td>
<td>xx</td>
<td>xx</td>
<td>xx</td>
</tr>
</tbody>
</table>

Key Management Personnel do not receive performance or bonus payments.

### G2 RELATED PARTY TRANSACTIONS

The department has no related party transactions during 2017-18 with people and entities related to Key Management Personnel.

Transactions with other Queensland Government-controlled entities:

- The department has a borrowing from Queensland Treasury Corporation (QTC) and note C6 outlines the key terms and conditions of both which are provided in cash via Queensland Treasury.
- The department primarily originating sources of funding from Government for its services are appropriation revenue and equity injections.

Transactions with people or entities related to KMP:

#### Performance Payments

- Approximately 33 percent (2016-17: 40 percent) of all grants provided by the department were paid to other State government entities.

Office of Industrial Relations (providing training for a majority of Government employees during 2017-18.

Note A2 outlines transfer of assets to Department of Employment, Small Business and Training, and from Queensland Treasury.
### G3 PRIVATE PROVISION OF PUBLIC INFRASTRUCTURE ARRANGEMENTS

#### G3-1 Accounting Policies

The current accounting treatment applied to these arrangements is based upon the requirements of AASB 117 Leases. There is currently no Australian Accounting Standard that specifically addresses the accounting treatment to be adopted by grantors for capital costs incurred under a public private partnership arrangement. Additional disclosures are included for each individual arrangement in accordance with AASB Interpretation 129 Service Concession Arrangements: Disclosures and financial reporting requirements under FRR 5D Service Concession Arrangements.

#### G3-2 Private Provision of Public Infrastructure Agreements

The following two department pays for the third party use of the infrastructure asset through regular service payments to respective partners over the life of the contract. The land on which the facility/schools are constructed is owned and recognized as an asset by the department. Fair value of the buildings is recognized as finance lease assets, with the corresponding recognition for future payments as a finance lease liability. The leased assets will be depreciated over the economic useful life and the lease liability will be reduced as payment for the buildings are made. The monthly service payments are split between the capital component to affect the systematic write down of the liability over the term of the lease, and the financing component which will be recognized as an expense when incurred. Other components such as facilities management, maintenance, and insurance will be expensed when incurred.

<table>
<thead>
<tr>
<th>PPP Arrangement</th>
<th>Agreement Type</th>
<th>Agreement Period</th>
<th>Financing</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) South-East Queensland Schools - Aspire Public Private Partnership</td>
<td>Design, construct, maintain, and partly finance 7 schools.</td>
<td>30 years</td>
<td>Finance during the design and construction stage is provided by Commonwealth Investments Pty Ltd, Bank of Tokyo-Mitsubishi, and the National Australia Bank. Queensland Treasury Corporation will provide the operating phase from January 2010 to December 2039. The Department pays a series of co-contributions during the construction phase of the project towards the construction costs totalling $190M. The timing of capital contribution payments over the Stage Availability Date (SAD) determines the accounting treatment at recognition of each stage.</td>
</tr>
<tr>
<td>(b) Queensland Schools - Plenary Public Private Partnership</td>
<td>Design, construct, maintain and partly finance 10 schools.</td>
<td>30 years</td>
<td>Finance is provided by Investec, National Australia Bank, Plenary Group, and the State of Queensland. The Department pays a series of co-contributions during the construction phase of the project towards the construction costs totalling $190M. The timing of capital contribution payments over the Stage Availability Date (SAD) determines the accounting treatment at recognition of each stage.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Leasing Arrangement</th>
<th>Agreement Type</th>
<th>Agreement Period</th>
<th>Financing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Head Lease, Sublease, and Interim Lease with Aspire</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>the Department will pay abatable and undissected service payments to Aspire for the operation, maintenance, and provision of the schools. Aspire is granted the right to enter and operate on the site, and is required to maintain the facilities to a high standard. Given the staged construction schedule, the lease asset and lease liability is calculated separately for each stage of each school, and recognized on the respective SAD.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Construction Commencement</th>
<th>Construction Completed</th>
<th>Agreement End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 2009</td>
<td>January 2014</td>
<td>2009</td>
</tr>
<tr>
<td>January 2014</td>
<td>Ongoing; construction of all schools will be complete at the end of December 2018. At 30 June 2018, Stage 1A and 1B of 9 schools and Stage 2 of 6 Schools have been completed.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other Inflows</th>
<th>Other Inflows</th>
</tr>
</thead>
<tbody>
<tr>
<td>Variable costs change according to the number of module units in use at the individual sites, utilities, car parking agreements, and other service payments adjustments.</td>
<td></td>
</tr>
<tr>
<td>Other inflows for the PPP relate to cleaning, grounds maintenance, and janitorial services. Aspire is required to use staff provided by the State.</td>
<td></td>
</tr>
</tbody>
</table>

### 43.1 Accounting Policies

For the year ended 30 June 2018

Notes to the Financial Statements

Department of Education
### Private Provision of Public Infrastructure (PPPI) Arrangements (continued)

#### G3-3 Private Provision of Public Infrastructure

**Cash Flows**

<table>
<thead>
<tr>
<th></th>
<th>Not later than 1 year</th>
<th>Later than 1 year but not later than 5 years</th>
<th>Later than 5 years but not later than 10 years</th>
<th>Later than 10 years</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Estimated cash flows - Fixed costs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Outflows</strong></td>
<td>( 46 272)</td>
<td>( 158 847)</td>
<td>( 216 537)</td>
<td>( 442 938)</td>
</tr>
<tr>
<td><strong>Estimated net cash flow - Fixed costs</strong></td>
<td>( 864 594)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Estimated cash flows - Variable Costs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Inflows</strong></td>
<td>15 242</td>
<td>60 540</td>
<td>76 132</td>
<td>190 876</td>
</tr>
<tr>
<td><strong>Outflows</strong></td>
<td>( 2 001)</td>
<td>( 9 512)</td>
<td>( 14 756)</td>
<td>( 22 781)</td>
</tr>
<tr>
<td><strong>Estimated net cash flow - Variable Costs</strong></td>
<td>342 790</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Estimated Net Cashflow</strong></td>
<td>( 521 804)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

*Total Estimated Net Cashflow*

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Estimated cash flows - Fixed costs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Outflows</strong></td>
<td>( 46 272)</td>
<td>( 29 855)</td>
<td>( 29 263)</td>
<td>( 20 820)</td>
</tr>
<tr>
<td><strong>Estimated net cash flow - Fixed costs</strong></td>
<td>( 864 594)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Estimated cash flows - Variable Costs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Inflows</strong></td>
<td>15 242</td>
<td>1 922</td>
<td>1 964</td>
<td>1 922</td>
</tr>
<tr>
<td><strong>Outflows</strong></td>
<td>( 2 001)</td>
<td>( 10 000)</td>
<td>( 10 005)</td>
<td>( 10 000)</td>
</tr>
<tr>
<td><strong>Estimated net cash flow - Variable Costs</strong></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Estimated Net Cashflow</strong></td>
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<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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*Estimated cash flows - Fixed Costs*

<table>
<thead>
<tr>
<th></th>
<th>Not later than 1 year</th>
<th>Later than 1 year but not later than 5 years</th>
<th>Later than 5 years but not later than 10 years</th>
<th>Later than 10 years</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Outflows</strong></td>
<td>( 46 272)</td>
<td>( 158 847)</td>
<td>( 216 537)</td>
<td>( 442 938)</td>
</tr>
<tr>
<td><strong>Estimated net cash flow - Fixed costs</strong></td>
<td>( 864 594)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

*Estimated cash flows - Variable Costs*

<table>
<thead>
<tr>
<th></th>
<th>Not later than 1 year</th>
<th>Later than 1 year but not later than 5 years</th>
<th>Later than 5 years but not later than 10 years</th>
<th>Later than 10 years</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Inflows</strong></td>
<td>15 242</td>
<td>60 540</td>
<td>76 132</td>
<td>190 876</td>
</tr>
<tr>
<td><strong>Outflows</strong></td>
<td>( 2 001)</td>
<td>( 9 512)</td>
<td>( 14 756)</td>
<td>( 22 781)</td>
</tr>
<tr>
<td><strong>Estimated net cash flow - Variable Costs</strong></td>
<td>342 790</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

*Total Estimated Net Cashflow*

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Estimated Net Cashflow</strong></td>
<td>( 521 804)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### G3-3 Private Provision of Public Infrastructure

#### Cash Flows (continued)

**Disclosure about Service Concession Arrangement Cash Flows**

Fixed costs are based on the risk-free rate of 2.70 percent (2016-17: 2.41 percent).

Variable costs include Lifecycle Costs; Utility Payments and Module Units:

- South East Queensland Schools PPP has a range of variable costs.
- Queensland Schools PPP has a range of variable costs.

The estimated cash flows for Queensland Schools PPP do not include the government contribution of $190 million during the construction period. During the concession period, the department will carry the following risks and rewards, which include:

<table>
<thead>
<tr>
<th>Risks</th>
<th>Impact to the department</th>
</tr>
</thead>
<tbody>
<tr>
<td>Site risks</td>
<td>Plenary has accepted site risk including existing structures with the exception of non-identified pre-existing contamination. Where non-identified pre-existing contamination is discovered, investigation and remediation costs will be shared on an equal basis between PPPI party and the State. Aspire has the sites in their current state and condition. This includes responsibility for pre-existing contamination, native title applications and artefacts. The State has however undertaken to procure remediation relating to two sites in accordance with acquisition/development agreements entered into by the State for the acquisition of those sites.</td>
</tr>
<tr>
<td>Performance design, construction and commissioning risks</td>
<td>The department has defined its performance specifications. The department is exposed to the risk that these performance specifications fail to meet current or future requirements, however processes are in place to monitor performance and identify any issues as early as possible to minimise exposure.</td>
</tr>
<tr>
<td>Operating/maintenance risks</td>
<td>The department has specified the level of operating and maintenance performance which is linked to an abatement regime and key performance indicators. The department is exposed to the risk that operating/maintenance performance specifications fail to meet current or future requirements, however processes will be instituted to monitor performance and identify any issues as early as possible to minimise exposure.</td>
</tr>
<tr>
<td>Sponsor and financial risks</td>
<td>The department bears the risks associated to interest, CPI and market rates with Aspire and Plenary. The department is exposed to the risk that the Consortium fails to comply with the requirements of the Deed and/or fails to be a going concern. In this event the department is exposed to the risk of replacing the consortium with suitable operators to continue providing infrastructure financing, capital, maintenance and operating requirements. The department has monitoring processes in place to identify any issues as early as possible to minimise exposure.</td>
</tr>
<tr>
<td>Early termination</td>
<td>Should the department wish to terminate the Deed, it is expected that the department would be required to pay Consortium compensation; however any compensation payable would be a key variable in the consideration of any decision to terminate the contracts prior to their planned completion.</td>
</tr>
</tbody>
</table>

#### G3-4 Risks during the Concession Period

The estimated cash flows for Queensland Schools PPP do not include the government contribution of $190 million during the construction period. During the concession period, the department will carry the following risks and rewards, which include:

**Private Provision of Public Infrastructure – Cash Flows (continued)**
G3 PRIVATE PROVISION OF PUBLIC INFRASTRUCTURE ARRANGEMENTS (continued)

G3-4 Risks during the Concession Period (continued)

Risks

 impacts to the department

Market value risk  At the end of the concession period the facilities will be handed back to the department at no additional cost. The department will receive the benefit of the receipt of the fair value of the infrastructure and any associated assets.

Rehabilitation risk  At the end of the concession period the department will be responsible for the removal of any future contamination of the sites and other ancillary land and the removal of any future contamination of the sites and other ancillary land. On-going monitoring of the sites is within the department's responsibility. The department will monitor the sites to ensure the removal of any future contamination of the sites and other ancillary land and any associated assets.

Changes in Accounting Policy

G4 FIRST YEAR APPLICATION OF NEW ACCOUNTING STANDARDS OR CHANGE IN POLICY

No Australian Accounting Standards have been early adopted for 2017-18.

G5 TAXATION

The department is a State body as defined under the Income Tax Assessment Act 1997 and is exempt from all forms of Commonwealth tax, except for Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). FBT and GST are only levies accounted for by the department. GST credits received from, and GST payable to the Australian Taxation Office are recognised and accounted for in accordance with the definition of input tax credits (ITC) and input tax credits (ITC) in Part VI of the GST Act 1999. Fringe Benefits Tax (FBT) is a tax on an employee for benefits provided by an employer, other than benefits provided as wages or salaries, which is deducted before income tax is calculated for the employee. FBT is not a tax on the employer but is a tax on the employee.

Accounting Standards Early Adopted for 2017-18

No Australian Accounting Standards have been early adopted for 2017-18.

Accounting Standards Applied for the First Time

AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107 requires the disclosure of information that will allow users to understand changes in liabilities arising from financing activities. Disclosure of the relevant figures can be found in note C-F.

The department did not voluntarily change any of its accounting policies during 2017-18.
Date: 23/08/2018

Department of Education
Director-General
Tony Cook

Date: 23/08/2018

Department of Education
Chief Finance Officer
Assistant Director-General, Finance

These assertions are based on an appropriate system of internal controls and risk management processes being effective in all material respects, with respect to financial reporting throughout the reporting period.

The assertions at the end of each year and in the statements of the Department of Education for the financial year ended 30 June 2018 and of the financial position of the Department have been drawn up to present a true and fair view in accordance with the prescribed financial statements.

The prescribed requirements for establishing and keeping the accounts have been complied with in all material respects, and

Section 6(1)(b) of the Act we certify that in our opinion

For the year ended 30 June 2018

Management Certificate
Department of Education
To the Accountable Officer of the Department of Education

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of the Department of Education.

In my opinion, the financial report:

a) gives a true and fair view of the department's financial position as at 30 June 2018, and
b) complies with the Financial Accountability Act 2009, the Financial and Performance Management Standard 2009 and Australian Accounting Standards.

The financial report comprises the statement of financial position and statement of assets and liabilities, the statement of income, the statement of changes in equity, the statement of cash flows and the statement of comprehensive income for the year then ended, and notes to the financial statements including summaries of significant accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Auditor-General of Queensland Auditing Standards. My responsibilities under those standards are further described in the Financial Report section of my report.

I am independent of the department in accordance with the ethical requirements of the Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in accordance with the Code and Professional Accountants (the Code) that are relevant to my audit of the financial report in accordance with the Code and Australian Auditing Standards. My responsibilities under those standards include the audit of the financial report, in accordance with the Code and Australian Auditing Standards. My responsibilities include:

- The Auditor-General of Queensland Auditing Standards.
- Conducting the audit in accordance with the Code and Australian Auditing Standards.

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report for the year then ended.

Financial Report section of my report

Financial report section of my report.

Basis for opinion

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

Report on the audit of the financial report

To the Accountable Officer of the Department of Education.
Valuation of Buildings and Leased assets ($12.6 billion as at 30 June 2018)

Refer to note C3 and D1 in the financial statements

<table>
<thead>
<tr>
<th>Key audit matter</th>
<th>How my audit addressed the key audit matter</th>
</tr>
</thead>
</table>
| **Department of Education specialised buildings** were measured at fair value at balance date using the current replacement cost method. These buildings are reported as Buildings and Leased Assets in the financial statements. | Ensuring the management had updated account balances for changes in remaining useful lives.

- Depreciation expense was supported by applicable appendices.
- Where changes in useful lives were identified, adjusting depreciation expense.
- Revaluations for purposes of between condition assessment and management planning, where they exceed the useful life.
- Revaluations for annual assessment of useful lives.
- For revaluations of Buildings and Leased assets, the methodology used and assessing its design, integrity and appropriateness with reference to common industry practice.
- Assessing the competence, capability and objectivity of the experts used by the Department.
- On a sample basis, evaluating the relevance, completeness and accuracy of source data used to derive the unit cost rates.
- Evaluating the relevance and appropriateness of the indices used for changes in Building Price Index inputs by comparing to other relevant external indices.
- Reviewing formal asset management plans, and enquiring of management about whether these plans remain current.
- Reviewing the management's reasonable estimates of lives.
- Assessing the adequacy of depreciation expense.
- Reviewing the appropriate application of these indices to the Department's building revaluations.
- Revaluating the application of these indices to the Department's building revaluations.
- Assessing the adequacy of depreciation expense.
- Evaluating the relevance and appropriateness of the indices used for changes in Building Price Index inputs by comparing to other relevant external indices.
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**Department of Education**

- Evaluating the relevance and appropriateness of the indices used for changes in Building Price Index inputs by comparing to other relevant external indices.
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**Department of Education**

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- Reviewing the management's reasonable estimates of lives.
- Assessing the adequacy of depreciation expense.
- Reviewing the appropriate application of these indices to the Department's building revaluations.
- Revaluating the application of these indices to the Department's building revaluations.

Currently, Queensland's buildings are measured as at June 30, 2018.

Queensland Government

Better Public Services

Audit Office

Valuation of buildings and leased assets ($12.6 billion as at 30 June 2018)
Responsibilities of the department for the financial report

The Accountable Officer 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 2009 and Australian Accounting Standards, and for such internal control as the Accountable Officer determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Accountable Officer is also responsible for assessing the department’s ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists, related to events or conditions that may cast significant doubt on the department’s ability to continue as a going concern.

Auditors' responsibilities for the audit of the financial report

As part of an audit conducted in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the department’s internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the department.
- evaluate the appropriateness of accounting policies used and related disclosures made by the department.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

The Accountable Officer is responsible for the preparation of the financial report in accordance with the Financial Accountability Act 2009 and Australian Accounting Standards. The financial and performance management framework is designed to ensure that the financial report is prepared in accordance with the Act and is a fair representation of the department's financial performance.

The Auditor is responsible for the audit of the financial report. The Auditor is also responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The Auditor is also responsible for expressing an opinion on the financial report.
I communicate with the Accountable Officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit. From the matters communicated with the Accountable Officer, I determine those matters that were of most significance in the audit of the financial report of the current period and are regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

In accordance with s. 40 of the Auditor-General Act 2009, for the year ended 30 June 2018:

a) I received all the information and explanations I required.

b) In my opinion, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Brendan Worrall
Auditor-General

27 August 2018

Brisbane
Queensland Audit Office

[Signature]